

**PRAIRIE-HILLS ELEMENTARY
SCHOOL DISTRICT 144**

FINANCIAL STATEMENTS

**AS OF AND FOR THE YEAR ENDED
JUNE 30, 2013
AND
INDEPENDENT AUDITORS' REPORT**

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PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

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PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

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INDEPENDENT AUDITORS' REPORT

To the Board of Education
Prairie-Hills Elementary School District 144
Markham, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Prairie-Hills Elementary School District 144, Markham, Illinois, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Prairie-Hills Elementary School District 144's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 auditors' 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 over financial reporting relevant to Prairie-Hills Elementary School District 144'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 Prairie-Hills Elementary School District 144'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 modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Prairie-Hills Elementary School District 144, Markham, Illinois, as of June 30, 2013 and the respective changes in the modified cash basis financial position thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

To the Board of Education
Prairie-Hills Elementary School District 144

Emphasis of Matter

As discussed in Note 3, Prairie-Hills Elementary School District 144 adopted the provisions of GASB Statement No. 63, *Financial Reporting for Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective July 1, 2012. Our opinions are not modified with respect to this matter.

Basis of Accounting

We draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared on the the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Other Matters

Prior-Year Comparative Information

We have previously audited Prairie-Hills Elementary School District 144's 2012 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information in our report dated November 12, 2012. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2012, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Prairie-Hills Elementary School District 144's basic financial statements. The other information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information 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 it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2013 on our consideration of Prairie-Hills Elementary School District 144'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 Prairie-Hills Elementary School District 144's internal control over financial reporting and compliance.



Oak Brook, Illinois
November 7, 2013

Prairie-Hills Elementary School District 144

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2013

The discussion and analysis of Prairie-Hills Elementary School District 144's (the "District") financial performance provides an overall review of the District's financial activities as of and for the year ended 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 millions of dollars. Certain comparative information between the current year and the prior is presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- > In total, net position decreased by \$3.2. This represents a 15% decrease from .
- > General revenues accounted for \$25.2 in revenue or 71% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$10.5 or 29% of total revenues of \$35.7.
- > The District had \$38.9 in expenses related to government activities. However, only \$10.5 of these expenses were offset by program specific charges and grants.
- > The Operating Cost per Pupil for fiscal year 2013 was \$12,150 (dollars). This is a decrease over fiscal year 2012 of \$752(dollars) or 5.8%.
- > The Tuition Charge per Pupil, based on the Average Daily Attendance for fiscal year 2013 was \$10,753 (dollars). This was an increase from fiscal year 2012 of \$203 (dollars) or 1.9%.
- > The Average Daily Attendance of 2,447 for FY 2013 is a decrease of 80 from FY 2012.
- > The District continued to pay down its long-term debt retiring \$0.7 million in fiscal 2013.
- > Property taxes accounted for a large portion of the District's revenue, contributing \$11.3.
- > General State Aid contributed \$13.5 of the District's revenue
- > Instruction made up the largest portion of all expenditures with \$23.6 or 60% of all expenditures.
- > Pupil and instructional staff service accounted for \$3.2 or 8.1% of all expenditures.
- > Administration and business services accounted for \$3.8 or 9.8% of all expenditures.

Overview of the Financial Statements

This discussion and analysis is 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 basic financial statements.

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

Prairie-Hills Elementary School District 144

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2013

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 - modified cash basis presents information on all District assets and liabilities arising from cash transactions, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statements of activities - modified cash basis presents information showing how the government's net position changed during the fiscal year being reported. All changes in net position are reported with cash is received and disbursed. Additionally, activity related to acquisition, depreciation and year end balances of capital assets, as well as year end balances and related changes in long-term debt in its government-wide financial statements are reported.

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.

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: governmental 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 seven 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 General Fund, Operations and Maintenance Fund, Transportation Fund, IMRF/Social Security Fund, Debt Service Fund, Capital Projects Fund, and Fire Prevention and Safety Fund, all of which are considered to be major funds.

**Prairie-Hills Elementary School District 144
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2013**

The District adopts an annual budget for each of the funds listed above. A budgetary comparison schedule 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. 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 basic 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 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 combined net position was lower on June 30, 2013, than it was the year before, decreasing 15% to \$17.7.

Table 1			
Condensed Statements of Net Position			
(in millions of dollars)			
		<u>2013</u>	
Assets:			
Current and other assets	\$ 10.8	\$	4.6
Deferred charges	1.0		0.9
Capital assets	<u>46.4</u>		<u>49.4</u>
Total assets	<u>58.2</u>		<u>54.9</u>
Liabilities:			
Current liabilities	-		0.2
Long-term debt outstanding	<u>37.3</u>		<u>37.0</u>
Total liabilities	<u>37.3</u>		<u>37.2</u>
Net position:			
Net investment in capital assets	10.1		9.2
Restricted	2.2		2.3
Unassigned	<u>8.6</u>		<u>6.2</u>
Total net position	<u>\$ 20.9</u>	<u>\$</u>	<u>17.7</u>

Expenses in the governmental activities of the District of \$38.9 exceeded revenues by \$3.2. This was attributable primarily to an increase in pupil and instructional staff services as well as operations and maintenance.

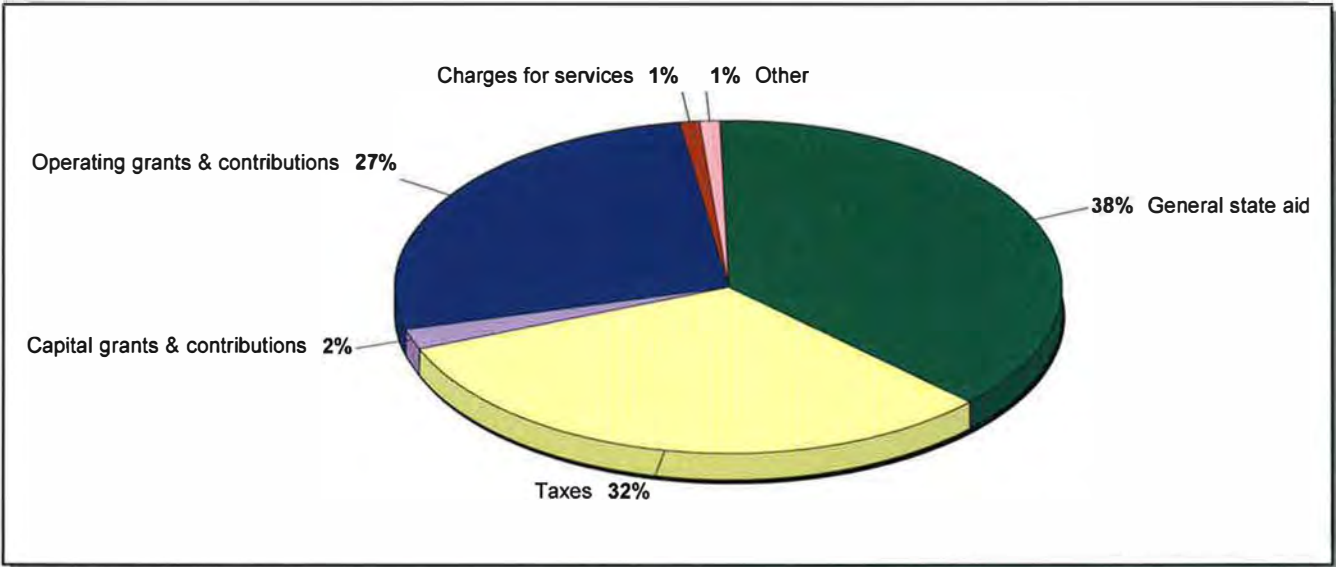
Prairie-Hills Elementary School District 144
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2013

Table 2			
Changes in Net Position			
(in millions of dollars)			
		<u>2013</u>	
Revenues:			
<i>Program revenues:</i>			
Charges for services	\$ 0.3	\$	0.4
Operating grants & contributions	10.8		9.5
Capital grants & contributions	0.2		0.6
<i>General revenues:</i>			
Taxes	12.3		11.5
General state aid	14.5		13.5
Other	0.2		0.2
Total revenues	<u>38.3</u>		<u>35.7</u>
Expenses:			
Instruction	22.7		23.6
Pupil & instructional staff services	3.6		3.2
Administration & business	5.5		3.8
Transportation	1.4		1.4
Operations & maintenance	3.1		3.9
Other	3.0		3.0
Total expenses	<u>39.3</u>		<u>38.9</u>
Increase (decrease) in net position	<u>\$ (1.0)</u>	<u>\$</u>	<u>(3.2)</u>

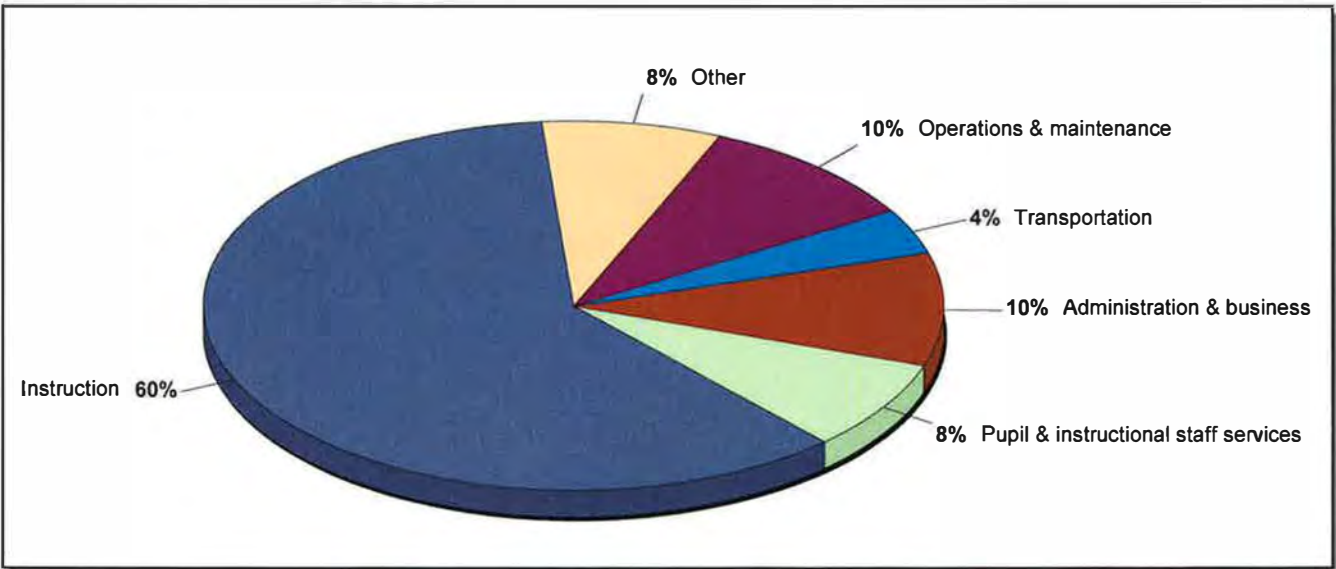
Property taxes accounted for the largest portion of the District's revenues, contributing 32%. The remainder of revenues came from state, federal grants and other sources. The total cost of all the District's programs was \$38.9, mainly related to instructing and caring for the students and student transportation at 72%.

**Prairie-Hills Elementary School District 144
 Management's Discussion and Analysis (Unaudited)
 As of and for the Year Ended June 30, 2013**

District-Wide Revenues by Source



District-Wide Expenses by Function



Financial Analysis of the District's Funds

The District's Governmental Funds balance decreased from \$10.8 to \$4.4.

Fund balances decreased by \$6.4. This decrease was primarily attributable to expenditures incurred for the design and construction of a new junior high school.

The District achieved an appropriate year-end operational fund balance of \$3.1. With a revenue to fund balance ratio of 10.6%, the District scored three (3) points out of four (4) points possible from the Illinois State Board of Education's financial profile summary.

**Prairie-Hills Elementary School District 144
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2013**

The District attained appropriate year-end fund balance to provide 40 days of cash on hand, but short of the 180 days of cash on hand recommended by the Illinois State Board of Education. The District received three (3) points out of four (4) points possible on the financial profile summary.

General Fund Budgetary Highlights

The District received \$13.6 in General State Aid.

The District expended \$0.5 more than what was budgeted for in instruction overall, which can be attributed to salaries and benefits in the regular instruction program. Regular instructional programs were over budget by \$0.5. However, special education programs were on budget.

Overall General Fund expenditures were over budget by \$0.3. A significant portion of the expenditure to budget deficit was due to spending in non-capitalized equipment. Specifically, the purchase of furniture and fixtures for the new junior high.

The General Fund balance decreased by \$4.6 from 2012.

Capital Assets and Debt Administration

Capital assets

By the end of 2013, the District had compiled a total investment of \$68.3 (\$49.4 net of accumulated depreciation) in a broad range of capital assets including buildings, land and equipment. Total depreciation expense for the year was \$2.2. More detailed information about capital assets can be found in Note 5 of the basic financial statements.

Table 3			
Capital Assets (net of depreciation)			
(in millions of dollars)			
		<u>2013</u>	
Land	\$ 0.3	\$	0.3
Land improvements	0.2		0.2
Buildings	8.3		45.4
Construction in progress	34.1		-
Equipment	3.5		3.5
Total	<u>\$ 46.4</u>	<u>\$</u>	<u>49.4</u>

Prairie-Hills Elementary School District 144
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2013

Long-term debt

The District retired \$0.7 in bonds in 2013. Deferred amount on refunding was reduced by \$(0.4). At the end of fiscal 2013, the District had a debt margin of \$(1.4). More detailed information on long-term debt can be found in Note 6 of the basic financial statements.

		<u>2013</u>	
Table 4			
Outstanding Long-Term Debt			
(in millions of dollars)			
General obligation bonds	\$ 26.4	\$ 25.7	
Capital Appreciation Bonds	17.8	17.8	
Deferred amount on refunding	(7.2)	(6.8)	
Unamortized premium	0.3	0.3	
Total	<u>\$ 37.3</u>	<u>\$ 37.0</u>	

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was aware of the following circumstances that will significantly affect financial operations in the future:

The District executed three abatement agreements associated with properties on 167th Street. The abatement properties are commonly referred to as Wal-Mart, the Theater, and/or the Retail Subdivision between Wal-Mart and the Theater. Each of the abatements calls for 50% of the taxes collected. The abatement agreement for the Retail Subdivision was enacted for the 2008 taxes paid in 2009, the 2009 taxes paid in 2010, the 2010 taxes paid in 2011, and the 2011 taxes paid in 2012. The duration of the abatement agreement is ten (10) consecutive tax years.

Tax Caps will continue to reduce the amount of taxes collected by the District. State aid has not kept pace with the loss of tax revenue. Foreclosures associated with the mortgage crisis will likely have an impact on taxes collected in the future as assessed values are diminished.

The Consumer Price Index for December 2012 decreased by 1.3% to 1.7% when compared to 2011. This decrease in CPI will allow for a minimum increase in local revenues derived from property taxes for 2013 payable in 2014.

The IMRF rate has declined over the past several years (i.e. 2008-10.21%, 2009- 9.76%, 2010-12.98%, 2011-12.46%, 2012-12.35%). The declining rate pattern changed significantly for 2010 due to the poor return on investments at the State level. The IMRF rate for 2014 did not change drastically when compared to 12.52% rate for 2013. The rate for 2014 is 12.73%.

The District's Equalized Assessed Value declined considerably for the tax year 2012. The EAV decreased \$28,016,804 to \$274,347,880 due primarily to reassessments associated with the mortgage crisis.

The District has a Life Safety Fund balance of \$0.37 to address identified Life Safety issues. The District decommissioned the old junior high and Primary Academic Center in June 2012, which substantially reduced the number of and associated cost of identified life safety projects. In 2012 and 2013, the District applied for and received two (2) \$50,000 matching school maintenance grants from the Illinois State Board of Education to assist in completing some of the less costly life safety projects. In addition, the District will be working on more life safety projects during fiscal year 2014.

Prairie-Hills Elementary School District 144

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2013

By decommissioning the old junior high school and the Primary Academic Center, the District will significantly reduce the ongoing operational costs. The District did not anticipate a substantial increase to operational costs associated with the new junior high construction. The new school opened in the fall of 2012.

The District continues to address furniture and equipment replacements throughout the District based upon the District's Capital Purchase Plan. The District continues to prioritize needs and appropriate expenditures to address these needs on an annual basis.

The District is committed to providing a technology rich experience for its students. As a result, the District acquires and retires equipment according to the Technology Plan. The District also has a Curriculum Plan that focuses for differentiation and rigor. Therefore, the expenditures related to technology and curriculum are reflected in the District's spending plan.

The State continues to struggle to provide new funding to the school district that will offset revenue shortages and the cumulative impact to the overall fund balances. Consequently, District administrators have taken steps to adjust its spending to accommodate the possible negative cash flow implications. These steps include, reducing the number of staff members, adjusting employee benefit plans and eliminating waste in the budget.

In FY 2012 the District issued \$24,645,000 in General Obligation Bonds with an average interest rate of 3.82% and \$35,515,000 in Capital Appreciation Bonds, to advance refund \$25,940,000 of outstanding 2010 Series Limited School Bonds and perform a current refunding of \$10,000,000 of the 2011 General Obligation Lease Obligations. As a result of the financing activities, the 2010 Series Limited School Bonds are considered to be defeased and the 2011 General Obligation Lease Obligations have been retired. The District continues to be cognizant of the expenditure to revenue ratio to ensure that fund balances are kept in good condition to allow adequate cash flow for ongoing expenses.

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:

Dr. Alicia Evans
Prairie-Hills Elementary School District 144
3015 W. 163rd Street
Markham, Illinois 60428

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

STATEMENT OF NET POSITION - MODIFIED CASH BASIS

AS OF JUNE 30, 2013

GOVERNMENTAL
ACTIVITIES

Assets

Cash	\$ 4,614,988
Deferred charges	932,902
Capital assets:	
Land	251,294
Depreciable buildings, property and equipment, net	<u>49,087,249</u>
Total assets	<u>54,886,433</u>

Liabilities

Payroll deductions payable	251,219
Long-term liabilities:	
Other long-term liabilities - due within one year	845,000
Other long-term liabilities - due after one year	<u>36,119,227</u>
Total liabilities	<u>37,215,446</u>

Net position

Net investment in capital assets	9,236,549
Restricted for:	
Operations and maintenance	964,803
Student transportation	527,693
Debt service	800,235
Unrestricted	<u>6,141,707</u>
Total net position	<u>\$ 17,670,987</u>

See Notes to Basic Financial Statements

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PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS

FOR THE YEAR ENDED JUNE 30, 2013

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUE			NET (EXPENSES) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
Governmental activities					
Instruction:					
Regular programs	\$ 15,401,218	\$ 337,502	\$ 1,576,530	\$ 601,630	\$ (12,885,556)
Special programs	4,079,905	-	1,719,345	-	(2,360,560)
Other instructional programs	499,143	-	28,703	-	(470,440)
State retirement contributions	3,596,012	-	3,596,012	-	-
Support Services:					
Pupils	1,739,190	-	-	-	(1,739,190)
Instructional staff	1,421,379	-	95,283	-	(1,326,096)
General administration	1,214,532	-	-	-	(1,214,532)
School administration	1,559,094	-	-	-	(1,559,094)
Business	997,412	2,259	1,260,075	-	264,922
Transportation	1,379,796	-	1,195,162	-	(184,634)
Operations and maintenance	3,926,517	5,225	-	-	(3,921,292)
Central	1,063,859	-	-	-	(1,063,859)
Other supporting services	151,289	-	-	-	(151,289)
Community services	27,349	-	-	-	(27,349)
Payments to other districts and gov't units - excluding special education	165,111	-	-	-	(165,111)
Interest and fees	1,637,553	-	-	-	(1,637,553)
Total governmental activities	\$ 38,859,359	\$ 344,986	\$ 9,471,110	\$ 601,630	\$ (28,441,633)

General revenues:

Taxes:

Real estate taxes, levied for general purposes	7,155,142
Real estate taxes, levied for specific purposes	2,190,695
Real estate taxes, levied for debt service	1,936,496
Personal property replacement taxes	173,650
State aid-formula grants	13,571,766
Investment income	71,570
Miscellaneous	146,815
Total general revenues	25,246,134

Change in net position (3,195,499)

Net position, beginning of year 20,866,486

Net position, end of year \$ 17,670,987

See Notes to Basic Financial Statements

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

GOVERNMENTAL FUNDS

BALANCE SHEET - MODIFIED CASH BASIS

AS OF JUNE 30, 2013

WITH COMPARATIVE TOTALS AS OF JUNE 30, 2012

	GENERAL FUND	OPERATIONS AND MAINTENANCE FUND	TRANSPORTATION FUND	MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
Assets				
Cash	\$ 1,889,140	\$ 964,803	\$ 526,603	\$ -
Total assets	<u>\$ 1,889,140</u>	<u>\$ 964,803</u>	<u>\$ 526,603</u>	<u>\$ -</u>
Liabilities and fund balance				
Cash deficit	\$ -	\$ -	\$ -	\$ 144,889
Payroll deductions payable	<u>243,639</u>	<u>-</u>	<u>(1,090)</u>	<u>215</u>
Total liabilities	<u>243,639</u>	<u>-</u>	<u>(1,090)</u>	<u>145,104</u>
Fund balance				
Restricted	-	964,803	527,693	-
Unassigned	<u>1,645,501</u>	<u>-</u>	<u>-</u>	<u>(145,104)</u>
Total fund balance (deficit)	<u>1,645,501</u>	<u>964,803</u>	<u>527,693</u>	<u>(145,104)</u>
Total liabilities and fund balance	<u>\$ 1,889,140</u>	<u>\$ 964,803</u>	<u>\$ 526,603</u>	<u>\$ -</u>

See Notes to Basic Financial Statements

DEBT SERVICE FUND	CAPITAL PROJECTS FUND	FIRE PREVENTION AND LIFE SAFETY FUND	TOTAL	
			2013	2012
\$ 800,235	\$ 196,875	\$ 382,221	\$ 4,759,877	\$ 10,865,452
<u>\$ 800,235</u>	<u>\$ 196,875</u>	<u>\$ 382,221</u>	<u>\$ 4,759,877</u>	<u>\$ 10,865,452</u>
\$ -	\$ -	\$ -	\$ 144,889	\$ 27,794
-	-	8,455	251,219	21,639
-	-	8,455	396,108	49,433
800,235	196,875	373,766	2,863,372	4,553,238
-	-	-	1,500,397	6,262,781
<u>800,235</u>	<u>196,875</u>	<u>373,766</u>	<u>4,363,769</u>	<u>10,816,019</u>
<u>\$ 800,235</u>	<u>\$ 196,875</u>	<u>\$ 382,221</u>	<u>\$ 4,759,877</u>	<u>\$ 10,865,452</u>

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PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

RECONCILIATION OF THE GOVERNMENTAL FUNDS

**BALANCE SHEET - MODIFIED CASH BASIS TO THE STATEMENT OF NET POSITION - MODIFIED CASH BASIS
AS OF JUNE 30, 2013**

Total fund balances - governmental funds - modified cash basis	\$ 4,363,769
Amounts reported for governmental activities in the Statement of Net Position - Modified Cash Basis are different because:	
Net capital assets used in governmental activities and included in the Statement of Net Position - Modified Cash Basis do not require the expenditure of financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet - Modified Cash Basis.	49,338,543
Long-term liabilities included in the Statement of Net Position - Modified Cash Basis are not due and payable in the current period and, therefore, are not reported in the Governmental Funds Balance Sheet - Modified Cash Basis.	(36,964,227)
Deferred charges included in the Statement of Net Position - Modified Cash Basis are not available to pay for current period expenditures and, therefore, are not included in the Governmental Funds Balance Sheet - Modified Cash Basis.	<u>932,902</u>
Net position of governmental activities - modified cash basis	<u>\$ 17,670,987</u>

See Notes to Basic Financial Statements

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
GOVERNMENTAL FUNDS**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012

	GENERAL FUND	OPERATIONS AND MAINTENANCE FUND	TRANSPORTATION FUND	MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
Revenues				
Property taxes	\$ 7,155,142	\$ 953,349	\$ 319,199	\$ 918,147
Corporate personal property replacement taxes	149,079	-	-	24,571
State aid	18,414,678	-	1,195,162	-
Federal aid	3,283,036	-	-	-
Investment income	36,070	6,929	3,197	7
Other	405,418	-	21,383	-
Total revenues	<u>29,443,423</u>	<u>960,278</u>	<u>1,538,941</u>	<u>942,725</u>
Expenditures				
Current:				
Instruction:				
Regular programs	12,368,423	-	-	248,128
Special programs	2,622,419	-	-	105,321
Other instructional programs,	480,977	-	-	18,166
State retirement contributions	3,596,012	-	-	-
Support Services:				
Pupils	1,683,710	-	-	55,480
Instructional staff	1,355,682	-	-	65,697
General administration	1,174,793	-	-	30,115
School administration	1,469,848	-	-	73,847
Business	1,929,072	-	-	123,141
Transportation	-	-	1,377,952	1,844
Operations and maintenance	1,356,407	942,699	-	240,105
Central	1,657,103	-	-	97,442
Other supporting services	151,289	-	-	-
Community services	26,815	-	-	534
Payments to other districts and gov't units	1,493,055	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	273,107	19,506	-	-
Total expenditures	<u>31,638,712</u>	<u>962,205</u>	<u>1,377,952</u>	<u>1,059,820</u>
Excess (deficiency) of revenues over expenditures	<u>(2,195,289)</u>	<u>(1,927)</u>	<u>160,989</u>	<u>(117,095)</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers (out)	(2,450,000)	-	-	-
Principal on bonds sold/lease proceeds	-	-	-	-
Premium on bonds sold	-	-	-	-
Accrued interest on bonds sold	-	-	-	-
Payment to escrow for refunded bonds	-	-	-	-
Discount on bonds sold	-	-	-	-
Total other financing sources (uses)	<u>(2,450,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(4,645,289)	(1,927)	160,989	(117,095)
Fund balance (deficit), beginning of year	6,290,790	966,730	366,704	(28,009)
Fund balance (deficit), end of year	<u>\$ 1,645,501</u>	<u>\$ 964,803</u>	<u>\$ 527,693</u>	<u>\$ (145,104)</u>

See Notes to Basic Financial Statements

DEBT SERVICE FUND	CAPITAL PROJECTS FUND	FIRE PREVENTION AND LIFE SAFETY FUND	TOTAL	
			2013	2012
\$ 1,936,496	\$ -	\$ -	\$ 11,282,333	\$ 12,027,662
-	-	-	173,650	164,067
-	-	150,000	19,759,840	21,543,308
-	-	-	3,283,036	3,688,817
4,153	16,057	5,157	71,570	209,091
-	65,000	-	491,801	358,785
<u>1,940,649</u>	<u>81,057</u>	<u>155,157</u>	<u>35,062,230</u>	<u>37,991,730</u>
-	-	-	12,616,551	12,794,952
-	-	-	2,727,740	3,266,408
-	-	-	499,143	497,566
-	-	-	3,596,012	3,502,440
-	-	-	1,739,190	2,054,655
-	-	-	1,421,379	1,459,939
-	-	-	1,204,908	1,797,728
-	-	-	1,543,695	1,918,570
-	-	-	2,052,213	1,792,515
-	-	-	1,379,796	1,453,377
-	158,942	91,776	2,789,929	3,010,304
-	-	-	1,754,545	1,765,428
-	-	-	151,289	100,104
-	-	-	27,349	20,257
-	-	-	1,493,055	1,096,973
.770,000	-	-	770,000	11,205,000
1,199,010	-	-	1,199,010	1,995,586
-	3,193,563	1,062,500	4,548,676	22,338,214
<u>1,969,010</u>	<u>3,352,505</u>	<u>1,154,276</u>	<u>41,514,480</u>	<u>72,070,016</u>
(28,361)	(3,271,448)	(999,119)	(6,452,250)	(34,078,286)
-	2,450,000	-	2,450,000	-
-	-	-	(2,450,000)	-
-	-	-	-	42,843,607
-	-	-	-	9,892,000
-	-	-	-	14,712
-	-	-	-	(31,633,195)
-	-	-	-	(9,892,000)
-	2,450,000	-	-	11,225,124
(28,361)	(821,448)	(999,119)	(6,452,250)	(22,853,162)
828,596	1,018,323	1,372,885	10,816,019	33,669,181
<u>\$ 800,235</u>	<u>\$ 196,875</u>	<u>\$ 373,766</u>	<u>\$ 4,363,769</u>	<u>\$ 10,816,019</u>

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PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
- MODIFIED CASH BASIS TO THE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2013

Net change in fund balances - total governmental funds - modified cash basis	\$ (6,452,250)
Amounts reported for governmental activities in the Statement of Activities - Modified Cash Basis are different because:	
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities - Modified Cash Basis, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which net capital outlay exceeds depreciation expense in the current period.	2,925,294
The issuance of long-term debt (bonds, capital leases, etc.) provides current financial resources to the governmental funds, while its principal repayment consumes current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. This is the amount by which proceeds from current year long-term financing arrangements exceeded current year principal repayments.	770,000
Governmental funds report the effects of issuance costs, premiums, discounts and similar items when the debt is issued. However, these amounts are deferred and amortized in the Statement of Activities - Modified Cash Basis. This is the amount of the current year, net effect of these differences.	<u>(438,543)</u>
Change in net position of governmental activities - modified cash basis	<u>\$ (3,195,499)</u>

See Notes to Basic Financial Statements

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
AGENCY FUND
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - MODIFIED CASH BASIS
AS OF JUNE 30, 2013

	<u>AGENCY STUDENT ACTIVITY FUND</u>
Assets	
Cash and investments	\$ <u>16,128</u>
Total assets	\$ <u>16,128</u>
Liabilities	
Liabilities, Due to student groups	\$ <u>16,128</u>
Total liabilities	\$ <u>16,128</u>

See Notes to Basic Financial Statements

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Prairie-Hills Elementary School District 144 (the "District") operates as a public school system governed by a seven-member board. The District is organized under the School Code of the State of Illinois, as amended. The accounting policies of the District conform to the modified cash basis of accounting as applicable to the local governmental units of this type. This modified basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements. The following is a summary of the more significant accounting policies of the District:

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 nonfiduciary activities of the District. The effect of interfund activity has been removed from these statements. The District's operating activities are all considered "governmental activities", that is, activities 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 cash disbursements of a given function are offset by program receipts. Direct cash disbursements are those that are clearly identifiable with a specific function. Program receipts include (1) amounts paid by the recipient of goods or services offered by the program 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 receipts are reported instead as general receipts.

Governmental Funds Financial Statements

Governmental funds financial statements are organized and operated on the basis of funds and are used to account for the District's general governmental activities. 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. 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. The minimum number of funds is maintained consistent with legal and managerial requirements.

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

Measurement Focus and Basis of Accounting

The government-wide financial statements and the fund financial statements are reported using the modified cash basis of accounting. Assets, liabilities, net position, revenues, and expenditures are recognized when they result from cash transactions with a provision for depreciation in the government-wide statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

In the government-wide financial statements, governmental activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as described above. In the governmental fund financial statements, the current financial resources measurement focus is used. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period.

As a result of the use of the modified cash basis of accounting, certain assets and their related revenues, (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

If the District utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

Major Governmental Funds

General Fund - the general operating fund of the District. It accounts 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. Revenues consist largely of local property taxes and state government aid.

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

Operations and Maintenance Fund - accounts for expenditures made for repair and maintenance of the District's buildings 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 - accounts for the accumulation of resources that are restricted, committed, or assigned for, and the payment of, long-term debt principal, interest and related costs. The primary revenue source is local property taxes levied specifically for debt service.

Capital Project Funds - accounts for the financial resources that are restricted, committed, or assigned to be used for the acquisition or construction of, and/or additions to, major capital facilities.

Capital Projects Fund - accounts for construction projects and renovations financed through debt instruments.

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Fire Prevention and Life Safety Fund - accounts for State-approved life safety projects financed through serial bond issues or local property taxes levied specifically for such purposes.

Other Fund Types

Fiduciary Funds - 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 present results of operations or have a measurement focus. 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.

Assets, Liabilities and Net Position 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 cost.

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 "due to/from other funds". These amounts are eliminated in the governmental activities column in the statement of net position. Receivables are expected to be collected within one year.

Property Tax Revenues

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2012 levy resolution was approved during the December 17, 2012 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 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 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 lesser 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. The CPI rates applicable to the 2011 and 2012 tax levies were 1.7% and 3.0%, respectively.

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

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. The first installment is an estimated bill, and is fifty-five percent of the prior year's tax bill. 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. Property taxes are normally collected by the District within 60 days of the due date.

Personal Property Replacement Taxes

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

Capital Assets

Capital assets, which include land, land improvements, buildings, building improvements, equipment and fixtures 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 \$5,000 and an estimated useful life of more than 1 year. 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.

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

<i>Assets</i>	<i>Years</i>
Land improvements	15 - 20
Buildings and building improvements	20 - 40
Equipment and fixtures	5 - 20

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

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 position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the applicable 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 period incurred. 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.

Equity Classifications

Equity is classified as net position in the government-wide financial statements and displayed in three components:

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets less than any unspent debt proceeds.

Restricted net position - Consists of net position with constraints placed on its use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

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.

Equity is classified as fund balance in the fund financial statements and displayed in five components:

Nonspendable - includes amounts not in spendable form, such as inventory, or amounts required to be maintained intact legally or contractually (principal endowment) (e.g. inventory, pre-paid items, permanent scholarships).

Restricted - includes amounts constrained for a specific purpose by external parties (e.g. Debt Service, Capital Projects, State and Federal Grant Funds).

Committed - includes amounts constrained for a specific purpose by a government using its highest level of decision making authority, the Board of Education. This formal action (an ordinance) must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Board of Education board that originally created the commitment.

Assigned - includes general fund amounts constrained for a specific purpose by the Board of Education or by an official that has been delegated authority to assign amounts. The Board of Education may also take official action to assign amounts. Additionally, all remaining positive spendable amounts in governmental funds, other than the General Fund, that are neither restricted nor committed are considered assigned. Assignments may take place after the end of the reporting period.

Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended in the General Fund is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance. In all other funds (Special Revenue, Debt Service, Capital Projects), assigned fund balance will be spent first, followed by committed fund balance, and then restricted fund balance.

The restricted fund balances are for the purpose of the respective funds as described above in the Major Governmental Funds section.

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Comparative Data

The financial statements include summarized prior-year comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2012, from which such summarized information was derived.

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 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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 cash basis, which is consistent with the modified cash basis of accounting prescribed by the program accounting manual for Illinois school districts.

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 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 a resolution. By the last Tuesday in December, a tax levy resolution 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.

The budget amounts shown in the financial statements are as originally adopted because there were no amendments during the past fiscal year.

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2013

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - (CONTINUED)

Budget Reconciliations

The Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds (Modified Cash 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 these amounts. The differences between the budget and Modified Cash basis are as follows:

	<i>Revenues</i>	<i>Expenditures</i>
General Fund Budgetary Basis	\$ 25,847,411	\$ 28,042,700
To adjust for on-behalf payments received	3,596,012	-
To adjust for on-behalf payments made	-	<u>3,596,012</u>
General Fund Modified Cash Basis	<u>\$ 29,443,423</u>	<u>\$ 31,638,712</u>

Excess of Expenditures over Budget

For the year ended June 30, 2013, expenditures exceeded budget in the Municipal Retirement/Social Security Fund by \$19,566, in the General Fund by \$255,639, and in the Transportation Fund by \$419,634. These excesses were funded by available fund balances.

Deficit Fund Equity

The Municipal Retirement/Social Security Fund had a deficit fund balance of \$145,104 as of June 30, 2013. District management expects to fund this deficit through property tax revenues collected in the subsequent fiscal year.

NOTE 3 - CHANGES IN ACCOUNTING PRINCIPLES

In June 2011, the GASB issued statement No. 63 - Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. This statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Previous financial reporting standards did not include guidance for these elements, which are distinct from assets and liabilities. The District implemented this standard effective July 1, 2012.

NOTE 4 - DEPOSITS AND INVESTMENTS

Cash & Investments under the custody of the Township Treasurer

Under the Illinois Compiled Statutes, the Bremen 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.

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2013

NOTE 4 - DEPOSITS AND INVESTMENTS - (CONTINUED)

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 Bremen 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).

The Treasurer's Office operates as a non-rated, external investment pool. The fair value of the District's investment in the Treasurer's pool is determined by the District's proportionate share of the cost of the investments held by the Treasurer's office.

The weighted average maturity of all marketable pooled investments held by the Treasurer was 1.33 years at June 30, 2013. The Treasurer also holds money market type investments, certificates of deposits and other deposits with financial institutions. As of June 30, 2013, the fair value of all investments held by the Treasurer's office was \$85,678,642 and the fair value of the District's proportionate share of the pool was \$4,612,164.

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.

Cash & Investments in the custody of the District

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 Value</u>	<u>Bank Balance</u>
Deposits with financial institutions	\$ 18,952	\$ 37,734
Total	<u>\$ 18,952</u>	<u>\$ 37,734</u>

Custodial Credit Risk - Deposits. With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. As of June 30, 2013, the bank balance of the District's deposits with financial institutions totaled \$37,734 and was fully insured.

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2013

NOTE 5 - CAPITAL ASSETS

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

	<i>Beginning Balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Ending Balance</i>
<u>Capital assets not being depreciated:</u>				
Land	\$ 251,294	\$ -	\$ -	\$ 251,294
Construction in progress	<u>34,124,260</u>	<u>3,167,853</u>	<u>37,292,113</u>	<u>-</u>
Total capital assets not being depreciated	<u>34,375,554</u>	<u>3,167,853</u>	<u>37,292,113</u>	<u>251,294</u>
<u>Capital assets being depreciated:</u>				
Land improvements	607,292	-	-	607,292
Buildings	18,641,779	38,354,613	-	56,996,392
Equipment	<u>10,594,014</u>	<u>914,299</u>	<u>1,049,910</u>	<u>10,458,403</u>
Total capital assets being depreciated	<u>29,843,085</u>	<u>39,268,912</u>	<u>1,049,910</u>	<u>68,062,087</u>
<u>Less Accumulated Depreciation for:</u>				
Land improvements	446,795	16,505	-	463,300
Buildings	10,262,210	1,299,406	-	11,561,616
Equipment	<u>7,096,385</u>	<u>903,447</u>	<u>1,049,910</u>	<u>6,949,922</u>
Total accumulated depreciation	<u>17,805,390</u>	<u>2,219,358</u>	<u>1,049,910</u>	<u>18,974,838</u>
Net capital assets being depreciated	<u>12,037,695</u>	<u>37,049,554</u>	<u>-</u>	<u>49,087,249</u>
Net governmental activities capital assets	<u>\$ 46,413,249</u>	<u>\$ 40,217,407</u>	<u>\$ 37,292,113</u>	<u>\$ 49,338,543</u>

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

	<i>Governmental Activities</i>	<i>Depreciation</i>
Regular programs		\$ 2,133,543
Special programs		24,221
District administration		7,699
School administration		28,872
Business		9,624
Operations and maintenance		<u>15,399</u>
Total depreciation expense - governmental activities		<u>\$ 2,219,358</u>

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2013

NOTE 6 - LONG TERM LIABILITIES

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

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
General obligation bonds	\$ 26,440,000	\$ -	\$ 770,000	\$ 25,670,000	\$ 845,000
Capital appreciation bonds	17,839,493	-	-	17,839,493	-
Deferred amount on refunding	(7,224,112)	-	(401,340)	(6,822,772)	-
Unamortized premium	352,024	-	17,601	334,423	-
Unamortized discount	<u>(56,917)</u>	<u>-</u>	<u>-</u>	<u>(56,917)</u>	<u>-</u>
Total bonds payable	<u>37,350,488</u>	<u>-</u>	<u>386,261</u>	<u>36,964,227</u>	<u>845,000</u>
Total long-term liabilities - governmental activities	<u>\$ 37,350,488</u>	<u>\$ -</u>	<u>\$ 386,261</u>	<u>\$ 36,964,227</u>	<u>\$ 845,000</u>

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	Original Indebtedness	Face Amount	Carrying Amount
Series 2010A Limited School Bonds dated July 15, 2010 are due in annual installments through December 1, 2029	2.00% - 5.25%	\$ 22,460,000	\$ 2,335,000	\$ 2,335,000
Series 2010B Limited Refunding School Bonds dated July 15, 2010 are due in annual installments through December 1, 2029	2.00% - 5.25%	6,120,000	120,000	120,000
Series 2011A Limited Refunding School Bonds dated September 20, 2012 are due in annual installments through December 1, 2030	2.00% - 5.00%	22,525,000	21,095,000	21,095,000
Series 2011B Limited Refunding School Bonds dated September 20, 2012 are due in annual installments through September 1, 2031	5.00%	2,120,000	2,120,000	2,120,000
Series 2011C Capital Appreciation Bonds dated September 20, 2012 are due in annual installments through December 1, 2030	1.25% - 6.39%	<u>35,875,000</u>	<u>35,515,000</u>	<u>17,839,493</u>
Total		<u>\$ 89,100,000</u>	<u>\$ 61,185,000</u>	<u>\$ 43,509,493</u>

At June 30, 2013, \$25,665,000 of bonds outstanding are considered defeased.

The cumulative accretion on the Series 2011C Capital Appreciation Bonds as of June 30, 2013 was \$1,615,319.

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2013

NOTE 6 - LONG TERM LIABILITIES - (CONTINUED)

Annual debt service requirements to maturity for general obligation bonds are as follows for governmental type activities:

	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2014	\$ 845,000	\$ 1,133,456	\$ 1,978,456
2015	875,000	1,111,631	1,986,631
2016	910,000	1,084,744	1,994,744
2017	2,550,000	1,056,281	3,606,281
2018	2,585,000	1,021,881	3,606,881
2019 - 2023	15,720,000	4,382,675	20,102,675
2024 - 2028	21,410,000	2,857,597	24,267,597
2029 - 2032	<u>16,290,000</u>	<u>806,213</u>	<u>17,096,213</u>
Total	<u>\$ 61,185,000</u>	<u>\$ 13,454,478</u>	<u>\$ 74,639,478</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 \$18,930,004. As of June 30, 2013 the total amount of debt outstanding by the District subject to the statutory debt limitation was \$20,294,493, providing a debt margin of \$(1,364,489). There are numerous covenants with which the District must comply in regard to these bond issues. As of June 30, 2013, the District was in compliance with all significant bond covenants, including federal arbitrage regulations.

NOTE 7 - 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 from such risks, the District participates in the following public entity risk pools: CLIC for workers' compensation and liability insurance coverage and EBC for health and dental insurance coverage. The District pays annual premiums to the pools for insurance coverage. The arrangements with the pools provide that each will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain levels established by the pools. There have been no significant reductions in insurance coverage from coverage in any of the past three fiscal years.

NOTE 8 - JOINT AGREEMENTS

The District is a member of SPEED, a joint agreement that provides certain special education services to residents of many school districts. 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.

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2013

NOTE 9 - OTHER POST-EMPLOYMENT BENEFITS

Teachers' Health Insurance Security

The District participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit postemployment healthcare plan that was established by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life 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 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 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 \$118,680, and the District recognized revenues and expenditures of this amount during the year.

State contributions intended to match active member contributions during the years ended June 30, and June 30, 2012 were 0.88 percent of pay. For these years, state contributions on behalf of District employees were \$124,797 and \$124,464, 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, and 2012. For the years ended June 30, 2013, and 2012 the District paid \$89,010, \$93,597 and \$93,348 to the THIS Fund, respectively, which was 100 percent of the required contribution for those years.

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."

Retiree's Health Plan

The District administers a single-employer defined benefit healthcare plan ("the Retiree's Health Plan"). The plan provides health insurance for eligible retirees and their spouses through the District's group health insurance plan which covers both active and retired members. For teachers and administrators retiring with at least 10 years of service with the District, the District pays the retiree's contribution toward the Teachers' Retirement System (TRS) medical insurance plan for the retiree until the retiree reaches age 65. The district also contributes \$150 to TRS towards the cost of one dependent. Such dependent coverage contribution continues until the earlier of either the retiree reaching the age of 65 or the dependent, if not the spouse, reaching the age of 18 if not a full time student, or 23 if a full time student.

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2013

NOTE 9 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

For full time support personnel hired on or before August 15, 1987 who have at least 20 years of service, the District shall permit the employee to continue his or her health insurance upon retirement for a period not to exceed 10 years or until age 65, whichever occurs first. The cost of employee coverage shall be paid by the District. In addition, the District shall pay up to \$150 per month for such an employee toward dependent coverage. Benefit provisions are established through collective bargaining agreements. The Retiree's Health Plan does not issue a publicly available financial report.

Contribution requirements are established through collective bargaining agreements and may be amended only through negotiations between the board and the union. For fiscal year 2013, the District contributed \$114,762 to the plan. Administrative costs of the Retiree's Health Plan are financed through District operating revenues as costs are incurred.

The District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC). The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) 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 Retiree's Health Plan, and changes in the District's net OPEB obligation to the Retiree's Health Plan:

Annual required contribution	\$ 44,695
Interest on net OPEB obligation	-
Adjustment to annual required contribution	<u>-</u>
Annual OPEB cost	44,695
Contributions made	<u>(114,762)</u>
Decrease in net OPEB obligation (asset)	(70,067)
Net OPEB Obligation (Asset) - Beginning of Year	<u>(345,313)</u>
Net OPEB Obligation (Asset) - End of Year	<u><u>\$ (415,380)</u></u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the Retiree's Health Plan, and the net OPEB obligation for June 30, 2013 and the two preceding years are as follows:

<i>Fiscal Year Ended</i>	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
June 30, 2013	\$ 44,695	256.77 %	\$ (415,380)
June 30, 2012	79,624	331.23 %	(345,313)
June 30, 2011	79,624	229.20 %	(161,197)

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2013

NOTE 9 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

The funded status of the Retiree's Health Plan as of June 30, 2012, the most recent actuarial valuation date, is as follows:

Actuarial accrued liability (AAL)	\$ 1,185,013
Actuarial value of plan assets	<u> -</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u><u>\$ 1,185,013</u></u>
Funded ratio (actuarial value of plan assets/AAL)	-%
Covered payroll (active plan members)	\$ 17,559,360
UAAL as a percentage of covered payroll	6.75%

Actuarial valuations of an ongoing plan involve estimates for 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 cost trend. Amounts determined regarding the funded status of the plan and 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 that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

In the June 30, 2012 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 5 percent investment rate of return and an annual healthcare cost trend rate of 9 percent initially, reduced by decrements to an ultimate rate of 5 percent after 8 years. Both rates include a - percent inflation assumption. The actuarial value of the Retiree's Health Plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a three-year period. The Retiree's Health Plan's unfunded actuarial accrued liability is being amortized as a level of percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2013 is 30 years.

NOTE 10 - RETIREMENT SYSTEMS

The retirement plans of the District include the Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF). Most funding for TRS is provided through payroll withholdings of certified employees and contributions made by the State of Illinois on-behalf of the District. IMRF is funded through property taxes and a perpetual lien of the District's corporate personal property replacement tax. Each retirement system is discussed below.

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2013

NOTE 10 - RETIREMENT SYSTEMS - (CONTINUED)

Teachers' Retirement System

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

The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the governor's approval. The State of Illinois maintains primary responsibility for the funding of the plan, but contributions from participating employers and members are also required. The TRS Board of Trustees is responsible for the System's administration.

TRS members include all active nonannuitants that 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 January 1, 2011, the effective date of the benefit changes contained in Public Act 96-0889. These contributions, which may be paid on behalf of the employees by the employer, are submitted to TRS by the District. The active member contribution rate was also 9.4 percent for the years ended June 30, and 2012.

On Behalf Contributions. The State of Illinois also makes contributions directly to TRS on behalf of the District's TRS-covered employees. 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 \$3,477,332 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, and 2012, the State of Illinois contributions rates as percentages of creditable earnings not paid from federal funds were 24.91 percent (\$3,377,643) and 23.10 percent (\$3,076,604), respectively.

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

2.2 Formula Contributions. For the years ended June 30, 2013, and 2012, the District contributed 0.58 percent of creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for those years were \$74,820, \$82,252 and \$82,033, respectively.

Federal and 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 additional TRS contribution from those funds. Under a policy adopted by the TRS Board of Trustees that was first effective in the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and special trust funds will be the same as the state contribution rate to TRS.

For the year ended June 30, 2013, the employer pension contribution was 28.05% of salaries paid from federal and special trust funds. For the years ended June 30, and 2012, the employer pension contribution was 24.91% and 23.10% of salaries paid from those funds, respectively. For the year ended June 30, 2013, salaries totaling \$503,077 were paid from federal and special trust funds that required employer contributions of \$141,113, which was equal to the District's actual contribution. For the years ended June 30, and 2012, required District contributions were \$154,945 and \$190,587, respectively.

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2013

NOTE 10 - RETIREMENT SYSTEMS - (CONTINUED)

Early Retirement Option. 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 is 117.5% and applies when the member is age 55 at retirement. For the year ending June 30, 2013, the District paid \$377,572 to TRS for District contributions under the ERO program. For the years ended June 30, and 2012, the District paid \$68,491 and \$0, respectively, in ERO contributions.

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

Illinois Municipal Retirement Fund

Plan Description. The District's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District's 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. The report may be obtained on-line at www.imrf.org.

Funding Policy. As set by statute, District employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The statute requires the District to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's contribution rate for calendar year was 12.52 percent of annual covered payroll. The employer annual required contribution rate for calendar year was 12.52 percent. The District 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 and Net Pension Obligation. The District's required contribution for calendar year was \$533,201. The District's annual pension cost, percentage of annual pension cost contributed, and net pension obligation for the current year and each of the two preceding years were as follows:

<i>Fiscal Year Ended</i>	Annual Pension Cost	Percentage of Annual Pension Cost Contributed	Net Pension Obligation
June 30, 2013	\$ 533,201	100 %	\$ -
June 30, 2012	550,175	100 %	-
June 30, 2011	549,113	100 %	-

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2013

NOTE 10 - RETIREMENT SYSTEMS - (CONTINUED)

The required contribution for fiscal year 2013 was determined as part of the December 31, 2010, actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at December 31, 2010, included (a) 7.50% investment rate of return (net of administrative and direct investment 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 District plan assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The District'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, , the most recent actuarial valuation date, the Regular plan was 78.31 percent funded. The actuarial accrued liability for benefits was \$8,232,868 and the actuarial value of assets was \$6,446,964, resulting in an underfunded actuarial accrued liability (UAAL) of \$1,785,904. The covered payroll for calendar year (annual payroll of active employees covered by the plan) was \$4,317,414 and the ratio of the UAAL to the covered payroll was 41.37 percent.

The schedule of funding progress, presented as other 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 liability for benefits.

NOTE 11 - CONTINGENT LIABILITIES

The District is a participant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's attorneys, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

NOTE 12 - STATE AND FEDERAL AID CONTINGENCIES

The District has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under the terms of the grants. Management believes such disallowance, if any, would be immaterial.

NOTE 13 - EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has approved GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*; Statement No. 66, *Technical Corrections - 2012 - an amendment of GASB Statements No. 10 and No. 62*; Statement No. 67, *Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25*; and Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. Application of these standards may restate portions of these financial statements.

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PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF EMPLOYER'S CONTRIBUTIONS AND ANALYSIS OF FUNDING PROGRESS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2013

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/12	\$ 533,201	100%	\$ -
12/31/11	550,175	100%	-
12/31/10	549,113	100%	-
12/31/09	383,456	100%	-
12/31/08	381,589	100%	-
12/31/07	381,446	100%	-

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/12	\$ 6,446,964	\$ 8,232,868	\$ 1,785,904	78.31%	\$ 4,317,414	41.37%
12/31/11	6,288,771	8,452,591	2,163,820	74.40%	4,415,531	49.00%
12/31/10	5,710,468	7,704,137	1,993,669	74.12%	4,230,455	47.13%
12/31/09	4,892,776	7,053,972	2,161,196	69.36%	3,928,850	55.01%
12/31/08	4,334,927	6,598,608	2,263,681	65.69%	3,737,408	60.57%
12/31/07	6,330,975	6,471,257	140,282	97.83%	3,369,665	4.16%

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PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
SCHEDULE OF FUNDING PROGRESS FOR RETIREE'S HEALTH PLAN
AS OF JUNE 30, 2013

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/12	\$ -	\$ 1,185,013	\$ 1,185,013	N/A	\$ 17,559,360	6.75%
6/30/10	-	1,526,211	1,526,211	N/A	18,685,262	8.17%
6/30/08	-	2,003,153	2,003,153	N/A	17,344,334	11.55%

Valuations must be performed every two years for OPEB plans with more than 200 members and at least every three years for plans with fewer than 200 members.

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Revenues				
Local sources				
General levy	\$ 7,778,044	\$ 7,155,142	\$ (622,902)	\$ 7,520,177
Corporate personal property replacement taxes	159,173	149,079	(10,094)	140,437
Investment income	21,000	36,070	15,070	50,645
Sales to pupils - lunch	-	83	83	27,339
Sales to pupils - other	2,500	1,207	(1,293)	682
Sales to adults	3,000	969	(2,031)	11
Other food service	-	-	-	3,738
Rentals - regular textbook	20,500	11,958	(8,542)	20,608
Rentals	10,000	5,225	(4,775)	15,863
Contributions and donations from private sources	-	5,081	5,081	1,875
Refund of prior years' expenditures	100,000	138,932	38,932	20,002
Proceed's from vendor contracts	-	2,802	2,802	-
Other local fees	7,300	3,458	(3,842)	6,190
Other	<u>100,000</u>	<u>235,703</u>	<u>135,703</u>	<u>246,095</u>
Total local sources	<u>8,201,517</u>	<u>7,745,709</u>	<u>(455,808)</u>	<u>8,053,662</u>
State sources				
General state aid	13,470,021	13,471,766	1,745	14,098,423
Special education - private facility tuition	8,450	5,404	(3,046)	5,955
Special education - extraordinary	375,920	542,998	167,078	469,135
Special education - personnel	166,800	162,750	(4,050)	144,563
Special education - orphanage - individual	303,700	269,623	(34,077)	304,556
Special education - orphanage - summer	-	3,924	3,924	350
CTE - Secondary program improvement	-	2,506	2,506	-
CTE - Other	-	-	-	2,613
Bilingual education - downstate - TPI	18,213	12,830	(5,383)	17,270
State free lunch & breakfast	72,439	40,633	(31,806)	62,628
Early childhood - block grant	264,340	279,181	14,841	446,303
Other restricted revenue from state sources	<u>2,251</u>	<u>27,051</u>	<u>24,800</u>	<u>1,043,151</u>
Total state sources	<u>14,682,134</u>	<u>14,818,666</u>	<u>136,532</u>	<u>16,594,947</u>
Federal sources				
National school lunch program	1,047,200	884,596	(162,604)	951,030
School breakfast program	259,600	249,656	(9,944)	233,969
Summer food service admin/program	10,221	15,338	5,117	24,525
Food service - other	-	69,852	69,852	94,432
Title I - Low income	1,439,877	1,199,971	(239,906)	1,092,294
Title I - Comprehensive school reform	2,088	2,088	-	2,900
Federal - special education - preschool flow-through	24,962	4,152	(20,810)	48,384
Federal - special education - IDEA - flow-through/low incident	567,129	524,536	(42,593)	551,016

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Federal - special education - IDEA - room & board	\$ -	\$ -	\$ -	\$ 4,649
Title I - low income	-	-	-	67,008
IDEA - part b - preschool	-	-	-	4,179
IDEA - part b - flow-through	-	-	-	77,464
Title IID - technology-competitive	-	-	-	6,203
ARRA - Education jobs fund program	20,327	20,327	-	-
Title III - English language acquisition	18,402	13,367	(5,035)	4,807
Title II - Teacher quality	186,432	95,283	(91,149)	157,826
Medicaid matching funds - administrative outreach	21,473	23,851	2,378	113,938
Medicaid matching funds - fee-for-service program	-	180,019	180,019	254,193
Other restricted revenue from federal sources	<u>850,000</u>	<u>-</u>	<u>(850,000)</u>	<u>-</u>
Total federal sources	<u>4,447,711</u>	<u>3,283,036</u>	<u>(1,164,675)</u>	<u>3,688,817</u>
Total revenues	<u>27,331,362</u>	<u>25,847,411</u>	<u>(1,483,951)</u>	<u>28,337,426</u>

Expenditures

Instruction

Regular programs

Salaries	8,809,497	8,933,176	(123,679)	8,927,527
Employee benefits	1,966,085	1,960,272	5,813	1,892,779
Purchased services	231,171	130,985	100,186	406,555
Supplies and materials	860,460	741,055	119,405	1,217,288
Capital outlay	40,000	49,494	(9,494)	179,312
Other objects	2,500	2,439	61	-
Non-capitalized equipment	50,000	600,496	(550,496)	74,804
Termination benefits	<u>150,000</u>	<u>-</u>	<u>150,000</u>	<u>50,750</u>
Total	<u>12,109,713</u>	<u>12,417,917</u>	<u>(308,204)</u>	<u>12,749,015</u>

Pre-K programs

Salaries	103,461	249,962	(146,501)	178,253
Employee benefits	2,176	42,346	(40,170)	20,144
Purchased services	8,585	5,844	2,741	8,177
Supplies and materials	<u>4,963</u>	<u>9,789</u>	<u>(4,826)</u>	<u>4,727</u>
Total	<u>119,185</u>	<u>307,941</u>	<u>(188,756)</u>	<u>211,301</u>

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
 BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS
 FOR THE YEAR ENDED JUNE 30, 2013
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Special education programs				
Salaries	\$ 2,042,532	\$ 2,196,083	\$ (153,551)	\$ 2,431,623
Employee benefits	358,842	369,984	(11,142)	354,822
Purchased services	6,000	3,390	2,610	7,113
Supplies and materials	10,800	16,506	(5,706)	104,709
Capital outlay	-	-	-	4,436
Total	<u>2,418,174</u>	<u>2,585,963</u>	<u>(167,789)</u>	<u>2,902,703</u>
Special education programs Pre-K				
Salaries	193,027	32,268	160,759	193,027
Employee benefits	23,862	4,188	19,674	23,395
Supplies and materials	-	-	-	4,248
Total	<u>216,889</u>	<u>36,456</u>	<u>180,433</u>	<u>220,670</u>
CTE programs				
Supplies and materials	-	1,839	(1,839)	4,124
Total	<u>-</u>	<u>1,839</u>	<u>(1,839)</u>	<u>4,124</u>
Interscholastic programs				
Purchased services	5,000	2,432	2,568	4,627
Other objects	1,000	-	1,000	725
Total	<u>6,000</u>	<u>2,432</u>	<u>3,568</u>	<u>5,352</u>
Summer school programs				
Salaries	102,664	104,360	(1,696)	89,590
Employee benefits	150	27,851	(27,701)	13,593
Total	<u>102,814</u>	<u>132,211</u>	<u>(29,397)</u>	<u>103,183</u>
Gifted programs				
Salaries	5,000	700	4,300	2,244
Employee benefits	25	9	16	13
Total	<u>5,025</u>	<u>709</u>	<u>4,316</u>	<u>2,257</u>
Bilingual programs				
Salaries	26,650	31,873	(5,223)	127,637
Employee benefits	21,350	3,972	17,378	21,148
Total	<u>48,000</u>	<u>35,845</u>	<u>12,155</u>	<u>148,785</u>
Total instruction	<u>15,025,800</u>	<u>15,521,313</u>	<u>(495,513)</u>	<u>16,347,390</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013		VARIANCE WITH FINAL BUDGET	2012 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Support services				
Pupils				
Attendance and social work services				
Salaries	\$ 607,029	\$ 445,590	\$ 161,439	\$ 505,996
Employee benefits	72,770	58,413	14,357	71,343
Purchased services	73,060	195	72,865	49,172
Supplies and materials	1,500	4,846	(3,346)	10,287
Total	<u>754,359</u>	<u>509,044</u>	<u>245,315</u>	<u>636,798</u>
Health services				
Salaries	18,199	238,099	(219,900)	217,545
Employee benefits	30,999	44,181	(13,182)	30,401
Purchased services	134,589	261,007	(126,418)	130,827
Supplies and materials	10,000	9,574	426	12,039
Total	<u>193,787</u>	<u>552,861</u>	<u>(359,074)</u>	<u>390,812</u>
Psychological services				
Salaries	254,978	234,953	20,025	249,977
Employee benefits	25,371	28,514	(3,143)	24,873
Purchased services	500	54,797	(54,297)	645
Supplies and materials	5,000	2,566	2,434	9,718
Total	<u>285,849</u>	<u>320,830</u>	<u>(34,981)</u>	<u>285,213</u>
Speech pathology and audiology services				
Salaries	5,748	71,687	(65,939)	170,822
Employee benefits	28,587	8,126	20,461	35,327
Purchased services	201,000	209,992	(8,992)	458,868
Supplies and materials	2,000	-	2,000	8,384
Total	<u>237,335</u>	<u>289,805</u>	<u>(52,470)</u>	<u>673,401</u>
Other support services - pupils				
Salaries	9,124	11,170	(2,046)	8,945
Total	<u>9,124</u>	<u>11,170</u>	<u>(2,046)</u>	<u>8,945</u>
Total pupils	<u>1,480,454</u>	<u>1,683,710</u>	<u>(203,256)</u>	<u>1,995,169</u>
Instructional staff				
Improvement of instructional services				
Salaries	634,125	529,946	104,179	690,381
Employee benefits	74,564	117,851	(43,287)	136,991
Purchased services	173,446	279,304	(105,858)	191,331
Supplies and materials	10,000	12,061	(2,061)	37,796
Total	<u>892,135</u>	<u>939,162</u>	<u>(47,027)</u>	<u>1,056,499</u>

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013		VARIANCE WITH FINAL BUDGET	2012 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Educational media services				
Salaries	\$ 304,050	\$ 295,480	\$ 8,570	\$ 295,097
Employee benefits	49,238	48,505	733	40,217
Supplies and materials	83,960	2,484	81,476	8,518
Capital outlay	-	-	-	46,149
Total	<u>437,248</u>	<u>346,469</u>	<u>90,779</u>	<u>389,981</u>
Assessment and testing				
Supplies and materials	500	70,051	(69,551)	311
Total	<u>500</u>	<u>70,051</u>	<u>(69,551)</u>	<u>311</u>
Total instructional staff	<u>1,329,883</u>	<u>1,355,682</u>	<u>(25,799)</u>	<u>1,446,791</u>
General administration				
Board of education services				
Salaries	3,500	2,500	1,000	2,812
Purchased services	446,000	351,478	94,522	419,103
Supplies and materials	6,700	7,591	(891)	5,344
Other objects	15,000	13,640	1,360	13,405
Total	<u>471,200</u>	<u>375,209</u>	<u>95,991</u>	<u>440,664</u>
Executive administration services				
Salaries	224,578	218,985	5,593	220,861
Employee benefits	41,156	51,138	(9,982)	40,193
Purchased services	29,170	2,488	26,682	4,089
Supplies and materials	9,392	5,014	4,378	9,208
Other objects	4,712	5,387	(675)	4,620
Total	<u>309,008</u>	<u>283,012</u>	<u>25,996</u>	<u>278,971</u>
Special area administration services				
Salaries	412,625	236,268	176,357	470,992
Employee benefits	79,667	33,757	45,910	78,104
Purchased services	30,959	37,683	(6,724)	43,677
Supplies and materials	15,500	11,210	4,290	18,038
Capital outlay	5,000	-	5,000	-
Other objects	1,776	5,627	(3,851)	1,741
Non-capitalized equipment	2,487	-	2,487	2,415
Total	<u>548,014</u>	<u>324,545</u>	<u>223,469</u>	<u>614,967</u>
Tort immunity services				
Purchased services	422,479	192,027	230,452	409,698
Total	<u>422,479</u>	<u>192,027</u>	<u>230,452</u>	<u>409,698</u>
Total general administration	<u>1,750,701</u>	<u>1,174,793</u>	<u>575,908</u>	<u>1,744,300</u>

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2013

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
School administration				
Office of the principal services				
Salaries	\$ 1,288,978	\$ 1,179,812	\$ 109,166	\$ 1,345,112
Employee benefits	256,566	259,987	(3,421)	262,831
Purchased services	13,000	3,233	9,767	11,294
Supplies and materials	9,075	2,154	6,921	6,273
Other objects	11,575	2,456	9,119	1,507
Total	<u>1,579,194</u>	<u>1,447,642</u>	<u>131,552</u>	<u>1,627,017</u>
Other support services - school administration				
Salaries	109,550	19,099	90,451	188,465
Employee benefits	21,553	3,107	18,446	24,600
Total	<u>131,103</u>	<u>22,206</u>	<u>108,897</u>	<u>213,065</u>
Total school administration	<u>1,710,297</u>	<u>1,469,848</u>	<u>240,449</u>	<u>1,840,082</u>
Business				
Direction of business support services				
Salaries	226,749	324,359	(97,610)	268,716
Employee benefits	31,917	58,609	(26,692)	46,879
Total	<u>258,666</u>	<u>382,968</u>	<u>(124,302)</u>	<u>315,595</u>
Fiscal services				
Purchased services	41,450	4,880	36,570	38,540
Supplies and materials	5,000	11,779	(6,779)	32,833
Capital outlay	15,000	-	15,000	28,361
Other objects	1,070	521	549	1,070
Non-capitalized equipment	1,000	-	1,000	440
Total	<u>63,520</u>	<u>17,180</u>	<u>46,340</u>	<u>101,244</u>
Operation and maintenance of plant services				
Salaries	1,132,845	1,163,810	(30,965)	1,089,763
Employee benefits	189,288	192,151	(2,863)	185,628
Purchased services	6,500	446	6,054	6,558
Total	<u>1,328,633</u>	<u>1,356,407</u>	<u>(27,774)</u>	<u>1,281,949</u>
Food services				
Salaries	436,140	433,107	3,033	351,626
Employee benefits	13,742	38,588	(24,846)	13,305
Purchased services	10,250	70	10,180	6,195
Supplies and materials	1,343,466	992,158	351,308	943,488
Other objects	-	146	(146)	91
Total	<u>1,803,598</u>	<u>1,464,069</u>	<u>339,529</u>	<u>1,314,705</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Internal services				
Purchased services	\$ 25,000	\$ 63,287	\$ (38,287)	\$ -
Supplies and materials	-	1,568	(1,568)	-
Total	<u>25,000</u>	<u>64,855</u>	<u>(39,855)</u>	<u>-</u>
Total business	<u>3,479,417</u>	<u>3,285,479</u>	<u>193,938</u>	<u>3,013,493</u>
Central				
Staff services				
Salaries	165,695	70,299	95,396	157,605
Employee benefits	39,963	9,253	30,710	29,909
Purchased services	29,300	49,624	(20,324)	63,166
Supplies and materials	48,208	8,511	39,697	51,324
Capital outlay	11,000	1,520	9,480	13,794
Total	<u>294,166</u>	<u>139,207</u>	<u>154,959</u>	<u>315,798</u>
Data processing services				
Salaries	426,705	448,029	(21,324)	411,480
Employee benefits	62,252	63,740	(1,488)	60,988
Purchased services	462,500	741,733	(279,233)	669,613
Supplies and materials	225,000	263,440	(38,440)	226,468
Capital outlay	250,000	222,093	27,907	32,874
Other objects	-	1,788	(1,788)	-
Non-capitalized equipment	10,000	686	9,314	10,739
Total	<u>1,436,457</u>	<u>1,741,509</u>	<u>(305,052)</u>	<u>1,412,162</u>
Total central	<u>1,730,623</u>	<u>1,880,716</u>	<u>(150,093)</u>	<u>1,727,960</u>
Other supporting services				
Purchased services	92,117	151,289	(59,172)	100,104
Total	<u>92,117</u>	<u>151,289</u>	<u>(59,172)</u>	<u>100,104</u>
Total support services	<u>11,573,492</u>	<u>11,001,517</u>	<u>571,975</u>	<u>11,867,899</u>
Community services				
Salaries	9,900	5,829	4,071	5,021
Employee benefits	-	1,175	(1,175)	18
Purchased services	19,600	9,527	10,073	4,602
Supplies and materials	22,500	10,284	12,216	10,177
Total community services	<u>52,000</u>	<u>26,815</u>	<u>25,185</u>	<u>19,818</u>

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
 BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS
 FOR THE YEAR ENDED JUNE 30, 2013
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Payments to other districts and governmental units				
Other payments to in-state governmental units				
Other objects	\$ 30,769	\$ 37,568	\$ (6,799)	\$ -
Total	30,769	37,568	(6,799)	-
Payments for Regular Programs - Tuition				
Other objects	142,000	72,472	69,528	-
Total	142,000	72,472	69,528	-
Payments for special education programs - tuition				
Other objects	963,000	1,327,944	(364,944)	1,093,505
Total	963,000	1,327,944	(364,944)	1,093,505
Payments for other programs - transfers				
Other objects	-	5,525	(5,525)	-
Total	-	5,525	(5,525)	-
Other payments to in-state govt. units - transfers				
Other objects	-	49,546	(49,546)	3,468
Total	-	49,546	(49,546)	3,468
Total payments to other districts and governmental units	1,135,769	1,493,055	(357,286)	1,096,973
Total expenditures	27,787,061	28,042,700	(255,639)	29,332,080
Other financing sources (uses)				
Permanent transfer from working cash accounts - abatement	(2,450,000)	(2,450,000)	-	-
Total other financing sources (uses)	(2,450,000)	(2,450,000)	-	-
Net change in fund balance	\$ (2,905,699)	(4,645,289)	\$ (1,739,590)	(994,654)
Fund balance, beginning of year		6,290,790		7,285,444
Fund balance, end of year		\$ 1,645,501		\$ 6,290,790

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
OPERATIONS AND MAINTENANCE FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL

FOR THE YEAR ENDED JUNE 30, 2013

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 1,048,021	\$ 953,349	\$ (94,672)	\$ 1,017,222
Investment income	5,000	6,929	1,929	6,254
Other	1,000	-	(1,000)	-
Total local sources	<u>1,054,021</u>	<u>960,278</u>	<u>(93,743)</u>	<u>1,023,476</u>
Total revenues	<u>1,054,021</u>	<u>960,278</u>	<u>(93,743)</u>	<u>1,023,476</u>
Expenditures				
Support services				
Business				
Operation and maintenance of plant services				
Purchased services	231,409	265,788	(34,379)	237,812
Supplies and materials	671,856	676,911	(5,055)	608,642
Capital outlay	67,500	19,506	47,994	97,630
Other objects	500	-	500	-
Total	<u>971,265</u>	<u>962,205</u>	<u>9,060</u>	<u>944,084</u>
Total business	<u>971,265</u>	<u>962,205</u>	<u>9,060</u>	<u>944,084</u>
Total support services	<u>971,265</u>	<u>962,205</u>	<u>9,060</u>	<u>944,084</u>
Total expenditures	<u>971,265</u>	<u>962,205</u>	<u>9,060</u>	<u>944,084</u>
Net change in fund balance	<u>\$ 82,756</u>	<u>(1,927)</u>	<u>\$ (84,683)</u>	<u>79,392</u>
Fund balance, beginning of year		<u>966,730</u>		<u>887,338</u>
Fund balance, end of year		<u>\$ 964,803</u>		<u>\$ 966,730</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
TRANSPORTATION FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Revenues				
Local sources				
General levy	\$ 336,824	\$ 319,199	\$ (17,625)	\$ 340,357
Investment income	1,500	3,197	1,697	2,503
Refund of prior years' expenditures	600	-	(600)	588
Other local fees	14,780	21,383	6,603	-
Other	-	-	-	15,794
Total local sources	<u>353,704</u>	<u>343,779</u>	<u>(9,925)</u>	<u>359,242</u>
State sources				
General state aid	-	-	-	150,000
Transportation - regular/vocational	375,000	399,832	24,832	387,178
Transportation - special education	<u>753,267</u>	<u>795,330</u>	<u>42,063</u>	<u>708,743</u>
Total state sources	<u>1,128,267</u>	<u>1,195,162</u>	<u>66,895</u>	<u>1,245,921</u>
Total revenues	<u>1,481,971</u>	<u>1,538,941</u>	<u>56,970</u>	<u>1,605,163</u>
Expenditures				
Support Services				
Business				
Pupil transportation services				
Salaries	10,000	9,052	948	19,133
Employee benefits	1,275	16	1,259	1,184
Purchased services	<u>947,043</u>	<u>1,368,884</u>	<u>(421,841)</u>	<u>1,432,783</u>
Total	<u>958,318</u>	<u>1,377,952</u>	<u>(419,634)</u>	<u>1,453,100</u>
Total business	<u>958,318</u>	<u>1,377,952</u>	<u>(419,634)</u>	<u>1,453,100</u>
Total support services	<u>958,318</u>	<u>1,377,952</u>	<u>(419,634)</u>	<u>1,453,100</u>
Total expenditures	<u>958,318</u>	<u>1,377,952</u>	<u>(419,634)</u>	<u>1,453,100</u>
Net change in fund balance	<u>\$ 523,653</u>	160,989	<u>\$ (362,664)</u>	152,063
Fund balance, beginning of year		<u>366,704</u>		<u>214,641</u>
Fund balance, end of year		<u>\$ 527,693</u>		<u>\$ 366,704</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL

FOR THE YEAR ENDED JUNE 30, 2013

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Revenues				
Local sources				
General levy	\$ 893,326	\$ 467,799	\$ (425,527)	\$ 446,472
Social security/Medicare only levy	-	450,348	450,348	432,115
Corporate personal property replacement taxes	-	24,571	24,571	23,630
Investment income	-	7	7	347
Total local sources	<u>893,326</u>	<u>942,725</u>	<u>49,399</u>	<u>902,564</u>
State sources				
General state aid	-	-	-	100,000
Total state sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
Total revenues	<u>893,326</u>	<u>942,725</u>	<u>49,399</u>	<u>1,002,564</u>
Expenditures				
Instruction				
Regular programs	228,437	248,128	(19,691)	225,249
Pre-K programs	13,272	12,147	1,125	13,012
Special education programs	146,273	104,892	41,381	144,903
Special education Pre-K programs	2,619	429	2,190	2,568
Summer school programs	4,222	3,029	1,193	3,914
Gifted programs	33	10	23	32
Bilingual programs	5,718	2,980	2,738	5,606
Total instruction	<u>400,574</u>	<u>371,615</u>	<u>28,959</u>	<u>395,284</u>
Support services				
Pupils				
Attendance and social work services	21,193	14,080	7,113	20,777
Health services	20,562	36,284	(15,722)	32,243
Psychological services	-	3,250	(3,250)	3,482
Speech pathology and audiology services	2,347	1,011	1,336	2,300
Other support services - pupils	698	855	(157)	684
Total pupils	<u>44,800</u>	<u>55,480</u>	<u>(10,680)</u>	<u>59,486</u>
Instructional staff				
Improvement of instructional staff	7,139	16,198	(9,059)	8,968
Educational media services	51,336	49,499	1,837	50,329
Total instructional staff	<u>58,475</u>	<u>65,697</u>	<u>(7,222)</u>	<u>59,297</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
General administration				
Board of education services	\$ 4,244	\$ 4,263	\$ (19)	\$ 4,160
Executive administration services	15,763	15,410	353	15,454
Special area administration services	<u>34,491</u>	<u>10,442</u>	<u>24,049</u>	<u>33,814</u>
Total general administration	<u>54,498</u>	<u>30,115</u>	<u>24,383</u>	<u>53,428</u>
School administration				
Office of the principal services	77,226	73,588	3,638	75,891
Other support services - school administration	<u>2,649</u>	<u>259</u>	<u>2,390</u>	<u>2,597</u>
Total school administration	<u>79,875</u>	<u>73,847</u>	<u>6,028</u>	<u>78,488</u>
Business				
Direction of business support services	26,611	44,766	(18,155)	26,089
Facilities acquisition and construction service	2,697	2,242	455	2,644
Operations and maintenance of plant services	221,670	237,863	(16,193)	217,324
Pupil transportation services	283	1,844	(1,561)	277
Food services	<u>64,508</u>	<u>78,375</u>	<u>(13,867)</u>	<u>63,243</u>
Total business	<u>315,769</u>	<u>365,090</u>	<u>(49,321)</u>	<u>309,577</u>
Central				
Staff services	13,160	8,866	4,294	12,903
Data processing services	<u>72,655</u>	<u>88,576</u>	<u>(15,921)</u>	<u>71,233</u>
Total central	<u>85,815</u>	<u>97,442</u>	<u>(11,627)</u>	<u>84,136</u>
Total support services	<u>639,232</u>	<u>687,671</u>	<u>(48,439)</u>	<u>644,412</u>
Community services				
	<u>448</u>	<u>534</u>	<u>(86)</u>	<u>439</u>
Total expenditures	<u>1,040,254</u>	<u>1,059,820</u>	<u>(19,566)</u>	<u>1,040,135</u>
Net change in fund balance	<u>\$ (146,928)</u>	<u>(117,095)</u>	<u>\$ 29,833</u>	<u>(37,571)</u>
Fund balance (deficit), beginning of year		<u>(28,009)</u>		<u>9,562</u>
Fund balance (deficit), end of year		<u>\$ (145,104)</u>		<u>\$ (28,009)</u>

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PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL

FOR THE YEAR ENDED JUNE 30, 2013

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Revenues				
Local sources				
General levy	\$ 1,987,156	\$ 1,936,496	\$ (50,660)	\$ 2,271,319
Investment income	<u>2,000</u>	<u>4,153</u>	<u>2,153</u>	<u>3,084</u>
Total local sources	<u>1,989,156</u>	<u>1,940,649</u>	<u>(48,507)</u>	<u>2,274,403</u>
Total revenues	<u>1,989,156</u>	<u>1,940,649</u>	<u>(48,507)</u>	<u>2,274,403</u>
Expenditures				
Debt services				
Payments on long term debt				
Interest on long term debt	-	1,199,010	(1,199,010)	977,833
Principal payments on long term debt	<u>1,885,278</u>	<u>770,000</u>	<u>1,115,278</u>	<u>11,205,000</u>
Total	<u>1,885,278</u>	<u>1,969,010</u>	<u>(83,732)</u>	<u>12,182,833</u>
Other debt service				
Issuance costs	<u>101,878</u>	<u>-</u>	<u>101,878</u>	<u>1,017,753</u>
Total	<u>101,878</u>	<u>-</u>	<u>101,878</u>	<u>1,017,753</u>
Total debt services	<u>1,987,156</u>	<u>1,969,010</u>	<u>18,146</u>	<u>13,200,586</u>
Total expenditures	<u>1,987,156</u>	<u>1,969,010</u>	<u>18,146</u>	<u>13,200,586</u>
Excess (deficiency) of revenues over expenditures	<u>2,000</u>	<u>(28,361)</u>	<u>(30,361)</u>	<u>(10,926,183)</u>
Other financing sources (uses)				
Principal on bonds sold	-	-	-	42,843,607
Premium on bonds sold	-	-	-	9,892,000
Accrued interest on bonds sold	-	-	-	14,712
Discount on bonds sold	-	-	-	(9,892,000)
Payment to escrow for refunded bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>(31,633,195)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,225,124</u>
Net change in fund balance	<u>\$ 2,000</u>	<u>(28,361)</u>	<u>\$ (30,361)</u>	<u>298,941</u>
Fund balance, beginning of year		<u>828,596</u>		<u>529,655</u>
Fund balance, end of year		<u>\$ 800,235</u>		<u>\$ 828,596</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
CAPITAL PROJECTS FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Revenues				
Local sources				
Investment income	\$ 2,000	\$ 16,057	\$ 14,057	\$ 134,169
Other	-	65,000	65,000	-
Total local sources	2,000	81,057	79,057	134,169
Total revenues	2,000	81,057	79,057	134,169
Expenditures				
Support services				
Business				
Facilities acquisition and construction service				
Salaries	25,000	29,312	(4,312)	34,560
Purchased services	250,200	127,155	123,045	388,394
Capital outlay	2,924,687	3,193,563	(268,876)	21,597,823
Non-capitalized equipment	470,000	2,475	467,525	-
Total	3,669,887	3,352,505	317,382	22,020,777
Total business	3,669,887	3,352,505	317,382	22,020,777
Total support services	3,669,887	3,352,505	317,382	22,020,777
Total expenditures	3,669,887	3,352,505	317,382	22,020,777
Excess (deficiency) of revenues over expenditures	(3,667,887)	(3,271,448)	396,439	(21,886,608)
Other financing sources (uses)				
Permanent transfer from working cash accounts - abatement	2,450,000	2,450,000	-	-
Total other financing sources (uses)	2,450,000	2,450,000	-	-
Net change in fund balance	\$ (1,217,887)	(821,448)	\$ 396,439	(21,886,608)
Fund balance, beginning of year		1,018,323		22,904,931
Fund balance, end of year		\$ 196,875		\$ 1,018,323

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
FIRE PREVENTION AND LIFE SAFETY FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL

FOR THE YEAR ENDED JUNE 30, 2013

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Revenues				
Local sources				
Investment income	\$ 2,000	\$ 5,157	\$ 3,157	\$ 12,089
Total local sources	<u>2,000</u>	<u>5,157</u>	<u>3,157</u>	<u>12,089</u>
State sources				
General state aid	100,000	100,000	-	100,000
Other restricted revenue from state sources	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>-</u>
Total state sources	<u>150,000</u>	<u>150,000</u>	<u>-</u>	<u>100,000</u>
Total revenues	<u>152,000</u>	<u>155,157</u>	<u>3,157</u>	<u>112,089</u>
Expenditures				
Support services				
Business				
Operation and maintenance of plant services				
Salaries	47,250	44,506	2,744	35,010
Employee benefits	10,780	6,493	4,287	7,936
Purchased services	73,045	40,777	32,268	193,950
Supplies and materials	2,000	-	2,000	1,447
Capital outlay	1,163,000	1,062,500	100,500	337,835
Other objects	<u>-</u>	<u>-</u>	<u>-</u>	<u>636</u>
Total	<u>1,296,075</u>	<u>1,154,276</u>	<u>141,799</u>	<u>576,814</u>
Total business	<u>1,296,075</u>	<u>1,154,276</u>	<u>141,799</u>	<u>576,814</u>
Total support services	<u>1,296,075</u>	<u>1,154,276</u>	<u>141,799</u>	<u>576,814</u>
Total expenditures	<u>1,296,075</u>	<u>1,154,276</u>	<u>141,799</u>	<u>576,814</u>
Net change in fund balance	\$ <u>(1,144,075)</u>	(999,119)	\$ <u>144,956</u>	(464,725)
Fund balance, beginning of year		<u>1,372,885</u>		<u>1,837,610</u>
Fund balance, end of year		\$ <u>373,766</u>		\$ <u>1,372,885</u>

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
GENERAL FUND
 COMBINING BALANCE SHEET - MODIFIED CASH BASIS
 AS OF JUNE 30, 2013

	EDUCATIONAL ACCOUNTS	WORKING CASH ACCOUNTS	TOTAL
Assets			
Cash	\$ 1,185,744	\$ 703,396	\$ 1,889,140
Total assets	<u>\$ 1,185,744</u>	<u>\$ 703,396</u>	<u>\$ 1,889,140</u>
Liabilities and fund balance			
Payroll deductions payable	\$ 243,639	\$ -	\$ 243,639
Total liabilities	<u>243,639</u>	<u>-</u>	<u>243,639</u>
Fund balance			
Unassigned	<u>942,105</u>	<u>703,396</u>	<u>1,645,501</u>
Total fund balance	<u>942,105</u>	<u>703,396</u>	<u>1,645,501</u>
Total liabilities and fund balance	<u>\$ 1,185,744</u>	<u>\$ 703,396</u>	<u>\$ 1,889,140</u>

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
GENERAL FUND

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH
BASIS
FOR THE YEAR ENDED JUNE 30, 2013

	EDUCATIONAL ACCOUNTS	WORKING CASH ACCOUNTS	TOTAL
Revenues			
Property taxes	\$ 7,155,142	\$ -	\$ 7,155,142
Corporate personal property replacement taxes	149,079	-	149,079
State aid	18,414,678	-	18,414,678
Federal aid	3,283,036	-	3,283,036
Investment income	18,679	17,391	36,070
Other	<u>405,418</u>	<u>-</u>	<u>405,418</u>
Total revenues	<u>29,426,032</u>	<u>17,391</u>	<u>29,443,423</u>
Expenditures			
Current:			
Instruction:			
Regular programs	12,368,423	-	12,368,423
Special programs	2,622,419	-	2,622,419
Other instructional programs	480,977	-	480,977
State retirement contributions	3,596,012	-	3,596,012
Support Services:			
Pupils	1,683,710	-	1,683,710
Instructional staff	1,355,682	-	1,355,682
General administration	1,174,793	-	1,174,793
School administration	1,469,848	-	1,469,848
Business	1,929,072	-	1,929,072
Operations and maintenance	1,356,407	-	1,356,407
Central	1,657,103	-	1,657,103
Other supporting services	151,289	-	151,289
Community services	26,815	-	26,815
Payments to other districts and gov't units	1,493,055	-	1,493,055
Capital outlay	<u>273,107</u>	<u>-</u>	<u>273,107</u>
Total expenditures	<u>31,638,712</u>	<u>-</u>	<u>31,638,712</u>
Other financing sources (uses)			
Transfers (out)	<u>-</u>	<u>(2,450,000)</u>	<u>(2,450,000)</u>
Total other financing sources (uses)	<u>-</u>	<u>(2,450,000)</u>	<u>(2,450,000)</u>
Net change in fund balance	(2,212,680)	(2,432,609)	(4,645,289)
Fund balance, beginning of year	<u>3,154,785</u>	<u>3,136,005</u>	<u>6,290,790</u>
Fund balance, end of year	<u>\$ 942,105</u>	<u>\$ 703,396</u>	<u>\$ 1,645,501</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Revenues				
Local sources				
General levy	\$ 7,778,044	\$ 7,155,142	\$ (622,902)	\$ 7,520,177
Corporate personal property replacement taxes	159,173	149,079	(10,094)	140,437
Investment income	20,000	18,679	(1,321)	28,355
Sales to pupils - lunch	-	83	83	27,339
Sales to pupils - other	2,500	1,207	(1,293)	682
Sales to adults	3,000	969	(2,031)	11
Other food service	-	-	-	3,738
Rentals - regular textbook	20,500	11,958	(8,542)	20,608
Rentals	10,000	5,225	(4,775)	15,863
Contributions and donations from private sources	-	5,081	5,081	1,875
Refund of prior years' expenditures	100,000	138,932	38,932	20,002
Proceed's from vendor contracts	-	2,802	2,802	-
Other local fees	7,300	3,458	(3,842)	6,190
Other	<u>100,000</u>	<u>235,703</u>	<u>135,703</u>	<u>246,095</u>
Total local sources	<u>8,200,517</u>	<u>7,728,318</u>	<u>(472,199)</u>	<u>8,031,372</u>
State sources				
General state aid	13,470,021	13,471,766	1,745	14,098,423
Special education - private facility tuition	8,450	5,404	(3,046)	5,955
Special education - extraordinary	375,920	542,998	167,078	469,135
Special education - personnel	166,800	162,750	(4,050)	144,563
Special education - orphanage - individual	303,700	269,623	(34,077)	304,556
Special education - orphanage - summer	-	3,924	3,924	350
CTE - Secondary program improvement	-	2,506	2,506	-
CTE - Other	-	-	-	2,613
Bilingual education - downstate - TPI	18,213	12,830	(5,383)	17,270
State free lunch & breakfast	72,439	40,633	(31,806)	62,628
Early childhood - block grant	264,340	279,181	14,841	446,303
Other restricted revenue from state sources	<u>2,251</u>	<u>27,051</u>	<u>24,800</u>	<u>1,043,151</u>
Total state sources	<u>14,682,134</u>	<u>14,818,666</u>	<u>136,532</u>	<u>16,594,947</u>
Federal sources				
National school lunch program	1,047,200	884,596	(162,604)	951,030
School breakfast program	259,600	249,656	(9,944)	233,969
Summer food service admin/program	10,221	15,338	5,117	24,525
Food service - other	-	69,852	69,852	94,432
Title I - Low income	1,439,877	1,199,971	(239,906)	1,092,294
Title I - Comprehensive school reform	2,088	2,088	-	2,900
Federal - special education - preschool flow-through	24,962	4,152	(20,810)	48,384
Federal - special education - IDEA - flow-through/low incident	567,129	524,536	(42,593)	551,016

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Federal - special education - IDEA - room & board	\$ -	\$ -	\$ -	\$ 4,649
Title I - low income	-	-	-	67,008
IDEA - part b - preschool	-	-	-	4,179
IDEA - part b - flow-through	-	-	-	77,464
Title IID - technology-competitive	-	-	-	6,203
ARRA - Education jobs fund program	20,327	20,327	-	-
Title III - English language acquisition	18,402	13,367	(5,035)	4,807
Title II - Teacher quality	186,432	95,283	(91,149)	157,826
Medicaid matching funds - administrative outreach	21,473	23,851	2,378	113,938
Medicaid matching funds - fee-for-service program	-	180,019	180,019	254,193
Other restricted revenue from federal sources	<u>850,000</u>	<u>-</u>	<u>(850,000)</u>	<u>-</u>
Total federal sources	<u>4,447,711</u>	<u>3,283,036</u>	<u>(1,164,675)</u>	<u>3,688,817</u>
Total revenues	<u>27,330,362</u>	<u>25,830,020</u>	<u>(1,500,342)</u>	<u>28,315,136</u>
Expenditures				
Instruction				
Regular programs				
Salaries	8,809,497	8,933,176	(123,679)	8,927,527
Employee benefits	1,966,085	1,960,272	5,813	1,892,779
Purchased services	231,171	130,985	100,186	406,555
Supplies and materials	860,460	741,055	119,405	1,217,288
Capital outlay	40,000	49,494	(9,494)	179,312
Other objects	2,500	2,439	61	-
Non-capitalized equipment	50,000	600,496	(550,496)	74,804
Termination benefits	<u>150,000</u>	<u>-</u>	<u>150,000</u>	<u>50,750</u>
Total	<u>12,109,713</u>	<u>12,417,917</u>	<u>(308,204)</u>	<u>12,749,015</u>
Pre-K programs				
Salaries	103,461	249,962	(146,501)	178,253
Employee benefits	2,176	42,346	(40,170)	20,144
Purchased services	8,585	5,844	2,741	8,177
Supplies and materials	<u>4,963</u>	<u>9,789</u>	<u>(4,826)</u>	<u>4,727</u>
Total	<u>119,185</u>	<u>307,941</u>	<u>(188,756)</u>	<u>211,301</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Special education programs				
Salaries	\$ 2,042,532	\$ 2,196,083	\$ (153,551)	\$ 2,431,623
Employee benefits	358,842	369,984	(11,142)	354,822
Purchased services	6,000	3,390	2,610	7,113
Supplies and materials	10,800	16,506	(5,706)	104,709
Capital outlay	-	-	-	4,436
Total	<u>2,418,174</u>	<u>2,585,963</u>	<u>(167,789)</u>	<u>2,902,703</u>
Special education programs Pre-K				
Salaries	193,027	32,268	160,759	193,027
Employee benefits	23,862	4,188	19,674	23,395
Supplies and materials	-	-	-	4,248
Total	<u>216,889</u>	<u>36,456</u>	<u>180,433</u>	<u>220,670</u>
CTE programs				
Supplies and materials	-	1,839	(1,839)	4,124
Total	<u>-</u>	<u>1,839</u>	<u>(1,839)</u>	<u>4,124</u>
Interscholastic programs				
Purchased services	5,000	2,432	2,568	4,627
Other objects	1,000	-	1,000	725
Total	<u>6,000</u>	<u>2,432</u>	<u>3,568</u>	<u>5,352</u>
Summer school programs				
Salaries	102,664	104,360	(1,696)	89,590
Employee benefits	150	27,851	(27,701)	13,593
Total	<u>102,814</u>	<u>132,211</u>	<u>(29,397)</u>	<u>103,183</u>
Gifted programs				
Salaries	5,000	700	4,300	2,244
Employee benefits	25	9	16	13
Total	<u>5,025</u>	<u>709</u>	<u>4,316</u>	<u>2,257</u>
Bilingual programs				
Salaries	26,650	31,873	(5,223)	127,637
Employee benefits	21,350	3,972	17,378	21,148
Total	<u>48,000</u>	<u>35,845</u>	<u>12,155</u>	<u>148,785</u>
Total instruction	<u>15,025,800</u>	<u>15,521,313</u>	<u>(495,513)</u>	<u>16,347,390</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Support services				
Pupils				
Attendance and social work services				
Salaries	\$ 607,029	\$ 445,590	\$ 161,439	\$ 505,996
Employee benefits	72,770	58,413	14,357	71,343
Purchased services	73,060	195	72,865	49,172
Supplies and materials	1,500	4,846	(3,346)	10,287
Total	<u>754,359</u>	<u>509,044</u>	<u>245,315</u>	<u>636,798</u>
Health services				
Salaries	18,199	238,099	(219,900)	217,545
Employee benefits	30,999	44,181	(13,182)	30,401
Purchased services	134,589	261,007	(126,418)	130,827
Supplies and materials	10,000	9,574	426	12,039
Total	<u>193,787</u>	<u>552,861</u>	<u>(359,074)</u>	<u>390,812</u>
Psychological services				
Salaries	254,978	234,953	20,025	249,977
Employee benefits	25,371	28,514	(3,143)	24,873
Purchased services	500	54,797	(54,297)	645
Supplies and materials	5,000	2,566	2,434	9,718
Total	<u>285,849</u>	<u>320,830</u>	<u>(34,981)</u>	<u>285,213</u>
Speech pathology and audiology services				
Salaries	5,748	71,687	(65,939)	170,822
Employee benefits	28,587	8,126	20,461	35,327
Purchased services	201,000	209,992	(8,992)	458,868
Supplies and materials	2,000	-	2,000	8,384
Total	<u>237,335</u>	<u>289,805</u>	<u>(52,470)</u>	<u>673,401</u>
Other support services - pupils				
Salaries	9,124	11,170	(2,046)	8,945
Total	<u>9,124</u>	<u>11,170</u>	<u>(2,046)</u>	<u>8,945</u>
Total pupils	<u>1,480,454</u>	<u>1,683,710</u>	<u>(203,256)</u>	<u>1,995,169</u>
Instructional staff				
Improvement of instructional services				
Salaries	634,125	529,946	104,179	690,381
Employee benefits	74,564	117,851	(43,287)	136,991
Purchased services	173,446	279,304	(105,858)	191,331
Supplies and materials	10,000	12,061	(2,061)	37,796
Total	<u>892,135</u>	<u>939,162</u>	<u>(47,027)</u>	<u>1,056,499</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013		VARIANCE WITH FINAL BUDGET	2012 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Educational media services				
Salaries	\$ 304,050	\$ 295,480	\$ 8,570	\$ 295,097
Employee benefits	49,238	48,505	733	40,217
Supplies and materials	83,960	2,484	81,476	8,518
Capital outlay	-	-	-	46,149
Total	<u>437,248</u>	<u>346,469</u>	<u>90,779</u>	<u>389,981</u>
Assessment and testing				
Supplies and materials	500	70,051	(69,551)	311
Total	<u>500</u>	<u>70,051</u>	<u>(69,551)</u>	<u>311</u>
Total instructional staff	<u>1,329,883</u>	<u>1,355,682</u>	<u>(25,799)</u>	<u>1,446,791</u>
General administration				
Board of education services				
Salaries	3,500	2,500	1,000	2,812
Purchased services	446,000	351,478	94,522	419,103
Supplies and materials	6,700	7,591	(891)	5,344
Other objects	15,000	13,640	1,360	13,405
Total	<u>471,200</u>	<u>375,209</u>	<u>95,991</u>	<u>440,664</u>
Executive administration services				
Salaries	224,578	218,985	5,593	220,861
Employee benefits	41,156	51,138	(9,982)	40,193
Purchased services	29,170	2,488	26,682	4,089
Supplies and materials	9,392	5,014	4,378	9,208
Other objects	4,712	5,387	(675)	4,620
Total	<u>309,008</u>	<u>283,012</u>	<u>25,996</u>	<u>278,971</u>
Special area administration services				
Salaries	412,625	236,268	176,357	470,992
Employee benefits	79,667	33,757	45,910	78,104
Purchased services	30,959	37,683	(6,724)	43,677
Supplies and materials	15,500	11,210	4,290	18,038
Capital outlay	5,000	-	5,000	-
Other objects	1,776	5,627	(3,851)	1,741
Non-capitalized equipment	2,487	-	2,487	2,415
Total	<u>548,014</u>	<u>324,545</u>	<u>223,469</u>	<u>614,967</u>
Tort immunity services				
Purchased services	422,479	192,027	230,452	409,698
Total	<u>422,479</u>	<u>192,027</u>	<u>230,452</u>	<u>409,698</u>
Total general administration	<u>1,750,701</u>	<u>1,174,793</u>	<u>575,908</u>	<u>1,744,300</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
School administration				
Office of the principal services				
Salaries	\$ 1,288,978	\$ 1,179,812	\$ 109,166	\$ 1,345,112
Employee benefits	256,566	259,987	(3,421)	262,831
Purchased services	13,000	3,233	9,767	11,294
Supplies and materials	9,075	2,154	6,921	6,273
Other objects	11,575	2,456	9,119	1,507
Total	<u>1,579,194</u>	<u>1,447,642</u>	<u>131,552</u>	<u>1,627,017</u>
Other support services - school administration				
Salaries	109,550	19,099	90,451	188,465
Employee benefits	21,553	3,107	18,446	24,600
Total	<u>131,103</u>	<u>22,206</u>	<u>108,897</u>	<u>213,065</u>
Total school administration	<u>1,710,297</u>	<u>1,469,848</u>	<u>240,449</u>	<u>1,840,082</u>
Business				
Direction of business support services				
Salaries	226,749	324,359	(97,610)	268,716
Employee benefits	31,917	58,609	(26,692)	46,879
Total	<u>258,666</u>	<u>382,968</u>	<u>(124,302)</u>	<u>315,595</u>
Fiscal services				
Purchased services	41,450	4,880	36,570	38,540
Supplies and materials	5,000	11,779	(6,779)	32,833
Capital outlay	15,000	-	15,000	28,361
Other objects	1,070	521	549	1,070
Non-capitalized equipment	1,000	-	1,000	440
Total	<u>63,520</u>	<u>17,180</u>	<u>46,340</u>	<u>101,244</u>
Operation and maintenance of plant services				
Salaries	1,132,845	1,163,810	(30,965)	1,089,763
Employee benefits	189,288	192,151	(2,863)	185,628
Purchased services	6,500	446	6,054	6,558
Total	<u>1,328,633</u>	<u>1,356,407</u>	<u>(27,774)</u>	<u>1,281,949</u>
Food services				
Salaries	436,140	433,107	3,033	351,626
Employee benefits	13,742	38,588	(24,846)	13,305
Purchased services	10,250	70	10,180	6,195
Supplies and materials	1,343,466	992,158	351,308	943,488
Other objects	-	146	(146)	91
Total	<u>1,803,598</u>	<u>1,464,069</u>	<u>339,529</u>	<u>1,314,705</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Internal services				
Purchased services	\$ 25,000	\$ 63,287	\$ (38,287)	\$ -
Supplies and materials	-	1,568	(1,568)	-
Total	<u>25,000</u>	<u>64,855</u>	<u>(39,855)</u>	<u>-</u>
Total business	<u>3,479,417</u>	<u>3,285,479</u>	<u>193,938</u>	<u>3,013,493</u>
Central				
Staff services				
Salaries	165,695	70,299	95,396	157,605
Employee benefits	39,963	9,253	30,710	29,909
Purchased services	29,300	49,624	(20,324)	63,166
Supplies and materials	48,208	8,511	39,697	51,324
Capital outlay	11,000	1,520	9,480	13,794
Total	<u>294,166</u>	<u>139,207</u>	<u>154,959</u>	<u>315,798</u>
Data processing services				
Salaries	426,705	448,029	(21,324)	411,480
Employee benefits	62,252	63,740	(1,488)	60,988
Purchased services	462,500	741,733	(279,233)	669,613
Supplies and materials	225,000	263,440	(38,440)	226,468
Capital outlay	250,000	222,093	27,907	32,874
Other objects	-	1,788	(1,788)	-
Non-capitalized equipment	10,000	686	9,314	10,739
Total	<u>1,436,457</u>	<u>1,741,509</u>	<u>(305,052)</u>	<u>1,412,162</u>
Total central	<u>1,730,623</u>	<u>1,880,716</u>	<u>(150,093)</u>	<u>1,727,960</u>
Other supporting services				
Purchased services	<u>92,117</u>	<u>151,289</u>	<u>(59,172)</u>	<u>100,104</u>
Total	<u>92,117</u>	<u>151,289</u>	<u>(59,172)</u>	<u>100,104</u>
Total support services	<u>11,573,492</u>	<u>11,001,517</u>	<u>571,975</u>	<u>11,867,899</u>
Community services				
Salaries	9,900	5,829	4,071	5,021
Employee benefits	-	1,175	(1,175)	18
Purchased services	19,600	9,527	10,073	4,602
Supplies and materials	<u>22,500</u>	<u>10,284</u>	<u>12,216</u>	<u>10,177</u>
Total community services	<u>52,000</u>	<u>26,815</u>	<u>25,185</u>	<u>19,818</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Payments to other districts and governmental units				
Other payments to in-state governmental units				
Other objects	\$ 30,769	\$ 37,568	\$ (6,799)	\$ -
Total	<u>30,769</u>	<u>37,568</u>	<u>(6,799)</u>	<u>-</u>
Payments for Regular Programs - Tuition				
Other objects	<u>142,000</u>	<u>72,472</u>	<u>69,528</u>	<u>-</u>
Total	<u>142,000</u>	<u>72,472</u>	<u>69,528</u>	<u>-</u>
Payments for special education programs - tuition				
Other objects	<u>963,000</u>	<u>1,327,944</u>	<u>(364,944)</u>	<u>1,093,505</u>
Total	<u>963,000</u>	<u>1,327,944</u>	<u>(364,944)</u>	<u>1,093,505</u>
Payments for other programs - transfers				
Other objects	<u>-</u>	<u>5,525</u>	<u>(5,525)</u>	<u>-</u>
Total	<u>-</u>	<u>5,525</u>	<u>(5,525)</u>	<u>-</u>
Other payments to in-state govt. units - transfers				
Other objects	<u>-</u>	<u>49,546</u>	<u>(49,546)</u>	<u>3,468</u>
Total	<u>-</u>	<u>49,546</u>	<u>(49,546)</u>	<u>3,468</u>
Total payments to other districts and governmental units	<u>1,135,769</u>	<u>1,493,055</u>	<u>(357,286)</u>	<u>1,096,973</u>
Total expenditures	<u>27,787,061</u>	<u>28,042,700</u>	<u>(255,639)</u>	<u>29,332,080</u>
Net change in fund balance	<u>\$ (456,699)</u>	<u>(2,212,680)</u>	<u>\$ (1,755,981)</u>	<u>(1,016,944)</u>
Fund balance, beginning of year		<u>3,154,785</u>		<u>4,171,729</u>
Fund balance, end of year		<u>\$ 942,105</u>		<u>\$ 3,154,785</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144
WORKING CASH ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL

FOR THE YEAR ENDED JUNE 30, 2013

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Revenues				
Local sources				
Investment income	\$ 1,000	\$ 17,391	\$ 16,391	\$ 22,290
Total local sources	<u>1,000</u>	<u>17,391</u>	<u>16,391</u>	<u>22,290</u>
Total revenues	<u>1,000</u>	<u>17,391</u>	<u>16,391</u>	<u>22,290</u>
Expenditures				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)				
Permanent transfer from working cash accounts - abatement	<u>(2,450,000)</u>	<u>(2,450,000)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(2,450,000)</u>	<u>(2,450,000)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ (2,449,000)</u>	<u>(2,432,609)</u>	<u>\$ 16,391</u>	22,290
Fund balance, beginning of year		<u>3,136,005</u>		<u>3,113,715</u>
Fund balance, end of year		<u>\$ 703,396</u>		<u>\$ 3,136,005</u>

PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

OPERATING COST AND TUITION CHARGE

FOR THE YEAR ENDED JUNE 30, 2013

	2013	2012
Operating Cost Per Pupil		
Average Daily Attendance (ADA):	<u>2,447</u>	<u>2,527</u>
Operating Costs:		
Educational	\$ 28,042,700	\$ 29,332,080
Operations and maintenance	962,205	944,084
Debt service	1,969,010	13,200,586
Transportation	1,377,952	1,453,100
Municipal retirement/social security	<u>1,059,820</u>	<u>1,040,135</u>
Subtotal	<u>33,411,687</u>	<u>45,969,985</u>
Less Revenues/Expenditures of Nonregular Programs:		
Pre-K programs	356,973	447,551
Summer school	135,240	107,097
Capital outlay	292,613	402,556
Non-capitalized equipment	601,182	88,398
Debt principal retired	770,000	11,205,000
Community services	27,349	20,257
Payments to other districts & governmental units	<u>1,493,055</u>	<u>1,096,973</u>
Subtotal	<u>3,676,412</u>	<u>13,367,832</u>
Operating costs	<u>\$ 29,735,275</u>	<u>\$ 32,602,153</u>
Operating Cost Per Pupil - Based on ADA	<u>\$ 12,150</u>	<u>\$ 12,902</u>
Tuition Charge		
Operating Costs	\$ 29,735,275	\$ 32,602,153
Less - revenues from specific programs, such as special education or lunch programs	<u>5,564,665</u>	<u>6,856,827</u>
Net operating costs	24,170,610	25,745,326
Depreciation allowance	<u>2,144,958</u>	<u>915,170</u>
Allowable Tuition Costs	<u>\$ 26,315,568</u>	<u>\$ 26,660,496</u>
Tuition Charge Per Pupil - based on ADA	<u>\$ 10,753</u>	<u>\$ 10,550</u>

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