

West Northfield School District 31

Annual Financial Report

Year Ended June 30, 2010

West Northfield School District 31

ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2010

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MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

The Members of the Board of Education
West Northfield School District 31
Northbrook, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of West Northfield School District 31, as of and for the year ended June 30, 2010, which collectively comprise the West Northfield School District 31's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of West Northfield School District 31's management. Our responsibility is to express opinions on these financial statements based on our audit. The prior year summarized comparative information has been derived from the District's June 30, 2009 financial statements. The June 30, 2009 financial statements of the District were audited by other accountants and they expressed unqualified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information in their report, dated November 4, 2009.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The management's discussion and analysis on pages 3 through 11, the Illinois Municipal Retirement Fund historical data on page 45, and the budgetary comparison schedules and notes to required supplementary information on pages 46 through 69 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

(Continued)

The Members of the Board of Education
West Northfield School District 31
Northbrook, Illinois

(Continued)

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of School District 31 as of June 30, 2010, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have issued our report dated March 4, 2011, on our consideration of School District 31's internal control over financial reporting and 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise West Northfield School District 31's basic financial statements. The other schedules, listed in the table of contents as supplementary financial information and other supplemental information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

MILLER, COOPER & CO., LTD.



Certified Public Accountants

Deerfield, Illinois
March 4, 2011

West Northfield School District 31

Management's Discussion and Analysis

For the Year Ended June 30, 2010

The management discussion and analysis of West Northfield School District 31's (the "District") financial performance provides an overall review of the District's financial activities for the year ended June 30, 2010. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The District continues to maintain a healthy financial position with unrestricted net assets making up 31% of total net assets.
- General revenues accounted for \$12,953,811 in revenue, or 80% of all revenues. Program specific revenues in the form of State categorical reimbursements and State/Federal grants accounted for \$3,173,075 or 20% of total revenues of \$16,076,370
- The District had \$14,915,895 in expenditures related to government activities. However, only \$1,326,370 of these expenses were offset by state and federal reimbursements or grants.
- The district has only one principal payment of \$1,400,000 remaining on its long term debt.
- The State of Illinois appropriated funds to pay the district's 2003 construction grant request of \$1.78 million dollars. The grant funds will eliminate the deficit the district has been carrying the Operations and Maintenance Fund when received in 2010/11.

Overview of the Financial Statements

This management 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 the basic financial statements.

This report also contains required supplementary information, supplementary financial information, and other supplemental information in addition to the basic financial statements.

West Northfield School District 31

Management's Discussion and Analysis

For the Year Ended June 30, 2010

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

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

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

West Northfield School District 31 Management's Discussion and Analysis For the Year Ended June 30, 2010

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 District'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 Educational Fund, Operations and Maintenance Fund, Tort Immunity and Judgement Fund, Transportation Fund, Municipal Retirement/Social Security Fund, Working Cash Fund, and the Debt Service Fund, all of which are considered to be major funds.

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 the 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 required supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its noncertified employees.

**West Northfield School District 31
Management's Discussion and Analysis
For the Year Ended June 30, 2010**

District-Wide Financial Analysis

The District's combined net assets were higher on June 30, 2010 than they were the year before, increasing 19% to \$15,887.

<i>TABLE 1: Condensed Statements of Net Assets (in thousands of dollars)</i>		
	<u>2009</u>	<u>2010</u>
Assets:		
Current and other assets	\$11,030	\$11,053
Capital Assets	<u>12,726</u>	<u>12,369</u>
Total Assets	<u>23,756</u>	<u>23,422</u>
Liabilities:		
Current Liabilities	7,681	7,484
Long-term debt outstanding	<u>1,400</u>	<u>51</u>
Total Liabilities	<u>9,081</u>	<u>7,535</u>
Net Assets:		
Invested in capital assets, net of related debt	9,109	10,969
Restricted	237	474
Unrestricted	<u>5,329</u>	<u>4,444</u>
Total Net Assets	\$14,675	\$15,887

The increase in the District's net assets is due primarily to a decrease in long term liabilities.

West Northfield School District 31
Management's Discussion and Analysis
For the Year Ended June 30, 2010

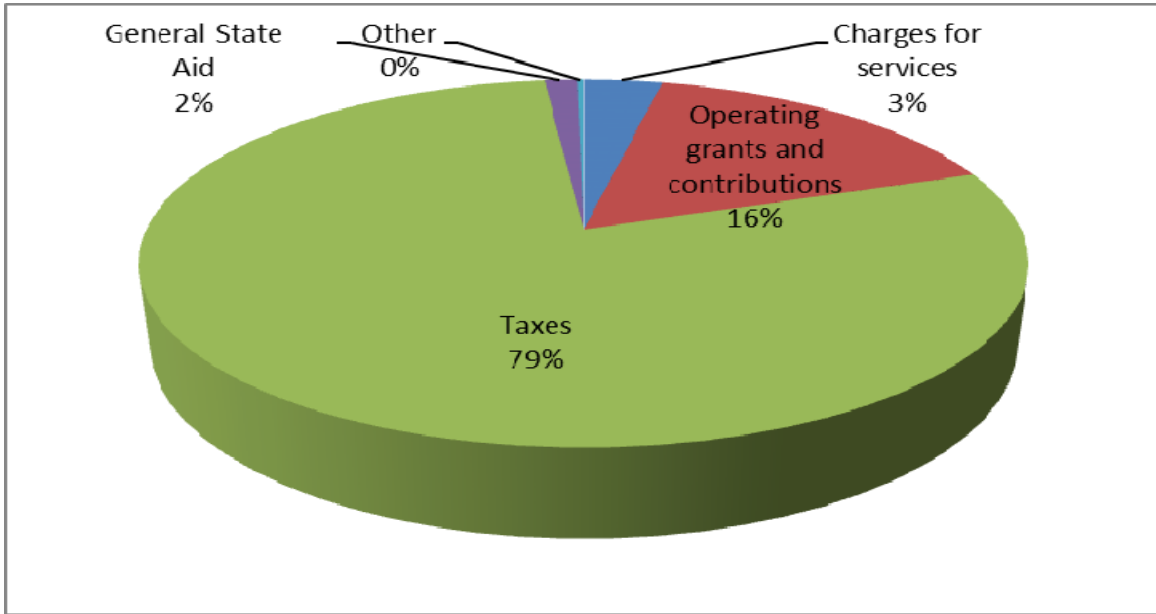
TABLE 2:		
<i>Changes in Net Assets</i>		
<i>(in thousands of dollars)</i>		
	<u>2009</u>	<u>2010</u>
Revenues:		
<i>Program Revenues:</i>		
Charges for services	\$ 228	\$ 550
Operating grants and contributions	1,897	2,623
<i>General Revenues:</i>		
Taxes	11,892	12,680
General State Aid	154	228
Other	<u>179</u>	<u>46</u>
Total Revenues	<u>14,350</u>	<u>16,127</u>
Expenses:		
Instruction	7,424	9,363
Pupil and Instructional Staff Services	988	914
Administration and Business	1,324	1,939
Transportation	403	345
Operations and Maintenance	1,339	1,336
Other	<u>1,776</u>	<u>1,019</u>
Total Expenses	<u>13,254</u>	<u>14,916</u>
Excess (deficiency) of revenues over expenses	<u>1,096</u>	<u>1,211</u>
Increase (decrease) in net assets	\$1,096	1,211

Property taxes accounted for the largest portion of the District's revenues, contributing 79%. The remainder of revenues came from state, and federal grants and other sources. The total cost of all the District's programs was \$14,915,895 directly related to instruction and support services for students.

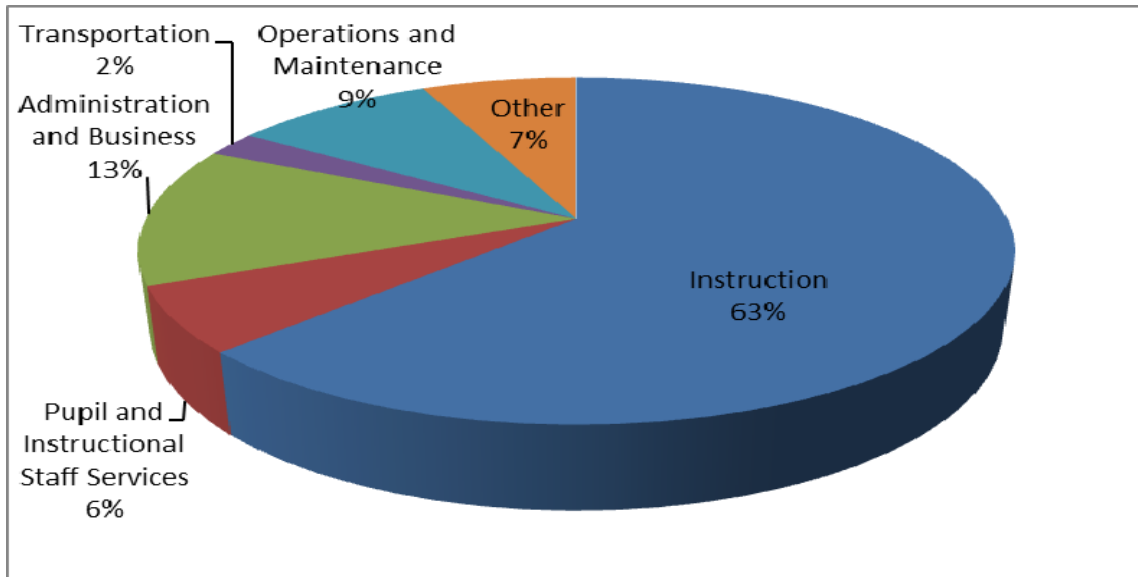
Revenues in the governmental activities of the District of \$16,127 were \$1,211 higher than expenses.

**West Northfield School District 31
Management's Discussion and Analysis
For the Year Ended June 30, 2010**

District-Wide Revenues by Source



District-Wide Expenses by Function



West Northfield School District 31 Management's Discussion and Analysis For the Year Ended June 30, 2010

Financial Analysis of the District's Funds

The strong financial performance of the District as a whole is reflected in its government funds as well. As the District completed the year, its government funds reported combined fund balances of \$4.9 million.

General Fund Budgetary Highlights

Over the course of the year, the District did not revise the annual operating budget. Revenues exceeded budget by \$900,227 primarily as a result of more TRS on behalf payments made by the state than anticipated. Expenditures were \$988,403 more than budgeted primarily due to TRS payments and payments for special education.

Capital Assets and Debt Administration

Capital assets

By the end of 2010, the District had compiled a total investment of \$12,368,557, net of accumulated depreciation, in a broad range of capital assets including buildings, land, and equipment. Total depreciation expense for the year was \$484,960. More detailed information about capital assets can be found in Note F of the basic financial statements.

TABLE 3:		
<i>Capital Assets (net of depreciation)</i>		
<i>(in thousands of dollars)</i>		
	<u>2009</u>	<u>2010</u>
Land and construction in progress	\$ 81	\$ 81
Buildings and improvements	11,394	11,063
Equipment and other	<u>1,251</u>	<u>1,224</u>
Total	\$12,726	\$12,368

Long-term debt

The District has \$1,400,000 in long-term bonded debt. More detailed information on long-term debt can be found in Note H of the basic financial statements.

**West Northfield School District 31
Management's Discussion and Analysis
For the Year Ended June 30, 2010**

<i>TABLE 4: Outstanding Long-Term Debt (in thousands of dollars)</i>		
	<u>2009</u>	<u>2010</u>
Compensated absences	<u>\$ 26</u>	<u>\$ 51</u>
Total	\$ 26	\$ 51

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 the financial operations in the future:

- The State of Illinois appropriated funds to pay the district's 2003 construction grant request of \$1.78 million dollars. The grant funds will eliminate the deficit the district has been carrying the Operations and Maintenance Fund.
- The District will continue to monitor the impact of the current economic climate regarding the District's ability to generate revenue. Due to the downturn of the housing market and the overall financial market the District will face a lower property tax collection rate, continued property tax objections and reduced rate of return on investments. The District will continue to implement cost containment measures in all operations in order to protect the financial solvency of the District and maintain a balanced budget during these difficult times.

**West Northfield School District 31
Management's Discussion and Analysis
For the Year Ended June 30, 2010**

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 Director of Business Services at 847-313-4413.

BASIC FINANCIAL STATEMENTS

West Northfield School District 31
STATEMENT OF NET ASSETS - GOVERNMENTAL ACTIVITIES
June 30, 2010

ASSETS

Cash and investments	\$	4,588,646
Receivables (net of allowance for uncollectibles):		
Interest		3,286
Property taxes		6,019,790
Replacement taxes		48,707
Intergovernmental		372,343
Prepaid items		20,779
Capital assets:		
Land		81,393
Depreciable buildings, property, and equipment, net		<u>12,287,164</u>
 Total assets		 <u>23,422,108</u>

LIABILITIES

Accounts payable		118,148
Interest payable		6,875
Unearned revenue		5,959,063
Long-term liabilities:		
Due within one year		1,400,000
Due after one year		<u>51,490</u>
 Total liabilities		 <u>7,535,576</u>

NET ASSETS

Invested in capital assets, net of related debt		10,968,557
Restricted For:		
Debt service		356,516
Retirement benefits		117,286
Unrestricted		<u>4,444,173</u>
 Total net assets		 <u>\$ 15,886,532</u>

The accompanying notes are an integral part of this statement.

West Northfield School District 31
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2010

Functions / Programs	Expenses	PROGRAM REVENUES		Net (Expenses) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	
Governmental activities				
Instruction:				
Regular programs	\$ 4,881,431	\$ 80,964	\$ 121,664	\$ (4,678,803)
Special programs	2,317,087	-	747,944	(1,569,143)
Other instructional programs	639,712	5,800	96,070	(537,842)
State retirement contributions	1,524,480	-	1,524,480	-
Support services:				
Pupils	612,160	-	2,328	(609,832)
Instructional staff	301,928	-	25,921	(276,007)
General administration	765,781	-	-	(765,781)
School administration	610,813	-	-	(610,813)
Business	562,198	312,832	17,331	(232,035)
Transportation	345,330	142,069	86,822	(116,439)
Operations and maintenance	1,335,935	8,850	-	(1,327,085)
Central	437,038	-	-	(437,038)
Other supporting services	1,161	-	-	(1,161)
Community services	12,050	-	-	(12,050)
Interest and fees	83,831	-	-	(83,831)
Unallocated depreciation	484,960	-	-	(484,960)
Total governmental activities	\$ 14,915,895	\$ 550,515	\$ 2,622,560	(11,742,820)
General revenues:				
Taxes:				
Real estate taxes, levied for general purposes				8,988,944
Real estate taxes, levied for specific purposes				1,832,115
Real estate taxes, levied for debt service				1,533,294
Personal property replacement taxes				325,361
State aid-formula grants				228,290
Investment earnings				10,974
Miscellaneous				34,833
Total general revenues				12,953,811
				Change in net assets 1,210,991
				Net assets, beginning of year 14,675,541
				Net assets, end of year \$ 15,886,532

The accompanying notes are an integral part of this statement.

West Northfield School District 31

Governmental Funds

BALANCE SHEET

June 30, 2010

With Comparative Totals for June 30, 2009

	<u>Educational</u>	<u>Operations and Maintenance</u>	<u>Tort Immunity and Judgment</u>	<u>Transportation</u>
ASSETS				
Cash and investments	\$ 1,774,859	\$ 297,217	\$ 27,635	\$ 32,581
Receivables (net of allowance for uncollectibles):				
Interest	262	-	-	197
Property taxes	4,346,686	709,770	-	58,783
Replacement taxes	48,707	-	-	-
Intergovernmental	328,932	-	-	43,411
Loan to other funds	-	-	-	-
Prepaid Items	<u>852</u>	<u>19,927</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 6,500,298</u>	<u>\$ 1,026,914</u>	<u>\$ 27,635</u>	<u>\$ 134,972</u>
LIABILITIES AND FUND BALANCES (DEFICIT)				
Cash deficit	\$ -	\$ -	\$ -	\$ -
Accounts payable	89,078	29,070	-	-
Loan from working cash fund	2,000,019	916,778	-	90,000
Deferred revenue	<u>4,302,833</u>	<u>702,606</u>	<u>-</u>	<u>58,193</u>
Total liabilities	<u>6,391,930</u>	<u>1,648,454</u>	<u>-</u>	<u>148,193</u>
Fund balances:				
Reserved for:				
Prepaid items	852	19,927	-	-
Unreserved fund balance:				
Undesignated	<u>107,516</u>	<u>(641,467)</u>	<u>27,635</u>	<u>(13,221)</u>
Total fund balance (deficit)	<u>108,368</u>	<u>(621,540)</u>	<u>27,635</u>	<u>(13,221)</u>
Total liabilities and fund balance (deficit)	<u>\$ 6,500,298</u>	<u>\$ 1,026,914</u>	<u>\$ 27,635</u>	<u>\$ 134,972</u>

The accompanying notes are an integral part of this statement.

Municipal Retirement / Soc. Sec.	Working Cash	Debt Service	Total 2010	Total 2009
\$ 115,798	\$ 1,984,797	\$ 355,759	\$ 4,588,646	\$ 4,597,273
-	2,827	-	3,286	7,168
148,094	-	756,457	6,019,790	6,296,409
-	-	-	48,707	62,764
-	-	-	372,343	43,923
-	3,006,797	-	3,006,797	1,006,797
-	-	-	20,779	19,272
<u>\$ 263,892</u>	<u>\$ 4,994,421</u>	<u>\$ 1,112,216</u>	<u>\$ 14,060,348</u>	<u>\$ 12,033,606</u>
\$ -	\$ -	\$ -	\$ -	\$ 140,003
-	-	-	118,148	24,535
-	-	-	3,006,797	1,006,797
<u>146,606</u>	<u>-</u>	<u>748,825</u>	<u>5,959,063</u>	<u>6,245,892</u>
<u>146,606</u>	<u>-</u>	<u>748,825</u>	<u>9,084,008</u>	<u>7,417,227</u>
-	-	-	20,779	20,096
<u>117,286</u>	<u>4,994,421</u>	<u>363,391</u>	<u>4,955,561</u>	<u>4,739,840</u>
<u>117,286</u>	<u>4,994,421</u>	<u>363,391</u>	<u>4,976,340</u>	<u>4,759,936</u>
<u>\$ 263,892</u>	<u>\$ 4,994,421</u>	<u>\$ 1,112,216</u>	<u>\$ 14,060,348</u>	<u>\$ 12,177,163</u>

West Northfield School District 31
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET ASSETS
June 30,2010

Amounts reported for governmental activities in the statement of net assets are different because:

Total fund balances - governmental funds	\$ 4,976,340
Net capital assets used in governmental activities and included in the statement of net assets do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds balance sheet.	12,368,557
Certain revenue receivables by the District recognized in the statement of net assets do not provide current financial resources and are deferred in the governmental funds balance sheet.	(6,875)
Long-term liabilities included in the statement of net assets are not due and payable in the current period and, accordingly, are not included in the governmental funds balance sheet (compensated absences and other postemployment benefits).	<u>(1,451,490)</u>
Net assets of governmental activities	<u>\$ 15,886,532</u>

The accompanying notes are an integral part of this statement.

West Northfield School District 31

Governmental Funds

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT)

For the Year Ended June 30, 2010

With Comparative Actual Totals for the Year Ended June 30, 2009

	Educational	Operations and Maintenance	Tort Immunity and Judgment	Transportation	Municipal Retirement / Soc. Sec.
Revenues					
Property taxes	\$ 8,938,428	\$ 1,418,736	\$ -	\$ 98,569	\$ 314,810
Replacement taxes	163,093	-	88,268	65,000	9,000
State aid	2,063,563	-	-	86,822	-
Federal aid	700,465	-	-	-	-
Interest	485	135	25	379	194
Other	434,173	9,106	-	142,069	-
Total revenues	<u>12,300,207</u>	<u>1,427,977</u>	<u>88,293</u>	<u>392,839</u>	<u>324,004</u>
Expenditures					
Current:					
Instruction:					
Regular programs	4,777,473	-	-	-	78,532
Special programs	1,021,864	-	-	-	32,291
Other instructional programs	630,386	-	-	-	9,326
State retirement contributions	1,524,480	-	-	-	-
Support services:					
Pupils	559,175	27,502	-	-	25,483
Instructional staff	296,062	-	-	-	5,866
General administration	686,555	-	60,658	-	18,568
School administration	588,482	-	-	-	22,331
Business	615,888	-	-	-	18,012
Transportation	-	-	-	345,330	-
Operations and maintenance	-	1,200,385	-	-	63,848
Central	301,199	-	-	-	16,434
Other supporting services	1,161	-	-	-	-
Community services	12,050	-	-	-	-
Nonprogrammed charges	1,262,932	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and other	3,664	-	-	-	-
Capital outlay	171,667	74,862	-	-	-
Total expenditures	<u>12,453,038</u>	<u>1,302,749</u>	<u>60,658</u>	<u>345,330</u>	<u>290,691</u>
Excess (deficiency) of revenues over expenditures	<u>(152,831)</u>	<u>125,228</u>	<u>27,635</u>	<u>47,509</u>	<u>33,313</u>
Fund balance (deficit), beginning of year	<u>261,199</u>	<u>(746,768)</u>	<u>-</u>	<u>(60,730)</u>	<u>83,973</u>
Fund balance (deficit), end of year	<u>\$ 108,368</u>	<u>\$ (621,540)</u>	<u>\$ 27,635</u>	<u>\$ (13,221)</u>	<u>\$ 117,286</u>

The accompanying notes are an integral part of this statement.

	Working	Debt	Total	
	Cash	Service	2010	2009
\$	-	\$ 1,533,294	\$ 12,303,837	\$ 11,491,295
	-	-	325,361	402,181
	-	-	2,150,385	1,743,215
	-	-	700,465	307,503
	8,833	923	10,974	82,262
	-	-	585,348	325,336
	<u>8,833</u>	<u>1,534,217</u>	<u>16,076,370</u>	<u>14,351,792</u>
	-	-	4,856,005	5,236,821
	-	-	1,054,155	666,162
	-	-	639,712	473,611
	-	-	1,524,480	1,092,217
	-	-	612,160	673,147
	-	-	301,928	340,682
	-	-	765,781	414,156
	-	-	610,813	626,074
	-	-	633,900	353,407
	-	-	345,330	403,406
	-	-	1,264,233	1,348,683
	-	-	317,633	188,617
	-	-	1,161	-
	-	-	12,050	-
	-	-	1,262,932	804,375
	-	1,325,000	1,325,000	1,275,000
	-	82,500	86,164	134,800
	-	-	246,529	116,332
	-	<u>1,407,500</u>	<u>15,859,966</u>	<u>14,147,490</u>
	<u>8,833</u>	<u>126,717</u>	<u>216,404</u>	<u>204,302</u>
	<u>4,985,588</u>	<u>236,674</u>	<u>4,759,936</u>	<u>4,555,634</u>
\$	<u>4,994,421</u>	<u>\$ 363,391</u>	<u>\$ 4,976,340</u>	<u>\$ 4,759,936</u>

West Northfield School District 31

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2010

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ 216,404
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation expense in the current period.	(357,836)
Certain revenues included in the statement of activities do not provide current financial resources and, therefore, are deferred in the fund statements.	50,516
Interest on long-term liabilities accrued in the statement of net assets will not be paid with current financial resources and, accordingly, are not included in the governmental funds balance sheet.	2,333
The issuance of long-term debt (e.g. compensated absences and other postemployment benefits) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.	<u>1,299,574</u>
Change in net assets of governmental activities	<u>\$ 1,210,991</u>

The accompanying notes are an integral part of this statement.

West Northfield School District 31

Fiduciary Funds

STATEMENT OF FIDUCIARY NET ASSETS

June 30, 2010

	<u>Agency Fund</u>
ASSETS	
Cash and investments	<u>\$ 20,608</u>
LIABILITIES	
Due to student groups	<u>\$ 20,608</u>

The accompanying notes are an integral part of this statement.

West Northfield School District 31
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of West Northfield School District 31 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the District's accounting policies are described below.

1. Reporting Entity

The District is located in Cook County, Illinois. The District is governed by an elected Board of Education. The Board of Education maintains final responsibility for all personnel, budgetary, taxing, and debt matters.

The District includes all funds of its operations that are controlled by or dependent upon the District, as determined on a basis of financial accountability. Financial accountability includes appointment of the organization's governing body, imposition of will, and fiscal dependency. The accompanying financial statements include only those funds of the District, as there are no organizations for which it has financial accountability.

Also, the District is not a component unit in any other governmental reporting entity, as defined by the Governmental Accounting Standards Board (GASB) pronouncements.

2. Fund Accounting

The accounts of the District are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

West Northfield School District 31
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Fund Accounting (Continued)

Funds of the District are classified into the following categories: governmental and fiduciary.

Governmental funds are used to account for all or most of the District's general activities, including the collection and disbursement of earmarked monies (special revenue funds) and the servicing of general long-term debt (debt service funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the District.

3. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity has been eliminated from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues.

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

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

a. General Fund

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The General Fund includes the Educational Fund.

West Northfield School District 31
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Government-Wide and Fund Financial Statements (Continued)

b. Special Revenue Funds

The special revenue funds are used to account for the proceeds of specific revenue sources (other than those accounted for in the debt service or fiduciary funds) that are legally restricted to expenditures for specified purposes.

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

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

Tort Immunity and Judgment Fund - accounts for all revenues and expenditures related to liability insurance. Revenues are derived primarily from personal property replacement taxes.

Transportation Fund - accounts for all revenues and expenditures made for student transportation. Revenues are 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 noncertified employees. Revenue to finance contributions is derived primarily from local property taxes and personal property replacement taxes.

Working Cash Fund - accounts for financial resources held by the District to be used as temporary interfund loans for working capital requirements. Money loaned by the Working Cash Fund to other funds must be repaid within one year. As allowed by the School Code of Illinois, this Fund may be permanently abolished and become part of the General Fund or it may be partially abated to any fund in need as long as the District maintains a balance in the Working Cash Fund of at least .05% of the District's current equalized assessed valuation.

West Northfield School District 31
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Government-Wide and Fund Financial Statements (Continued)

c. Debt Service Fund

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

d. Fiduciary Funds

The 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.

The *Student Activity Funds* - are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. These funds account for assets held by the District, in an agency capacity, 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. It accounts for activities such as student yearbook, student clubs and council, and scholarships.

4. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund statements. Revenues and additions are recorded when earned, and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e. intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collectible within the current period and soon enough thereafter to pay liabilities of the current period. The District considers property tax revenues and most other revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues that are paid to the District by the Illinois State Board of Education are considered available if vouchered by year end. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

West Northfield School District 31
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Property taxes, interest, and intergovernmental revenue associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports deferred revenue on its financial statements. Deferred revenue arises when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

5. Deposits and Investments

State statutes require the District to use the investment services of the Township School Treasurer and authorize the District's Treasurer to invest in obligations of the U.S. Treasury, certain highly rated commercial paper, corporate bonds, repurchase agreements, and money market mutual funds registered under the Investment Company Act of 1940, with certain restrictions. Investments are stated at fair value. Changes in the fair value of investments are recorded as investment income.

6. Personal Property Replacement Taxes

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

7. Capital Assets

Capital assets, which include land, buildings, and equipment, 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 \$1,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated fair value at the date of donation.

West Northfield School District 31
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. Capital Assets (Continued)

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

Depreciation of capital assets is provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	20 - 75
Building improvements	35 - 50
Equipment	10 - 15
Vehicles	8

8. Prepaid Items

Prepaid items, which consist of insurance premiums, are recorded at cost and amortized over the term of the underlying agreements. Reported prepaid expenditures are equally offset by fund balance reserves, which indicate that they do not constitute "available spendable resources" even though they are a component of current net assets.

9. Comparative Total Data

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

10. Long-Term Obligations

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

West Northfield School District 31
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

10. Long-Term Obligations (Continued)

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

11. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

12. Restricted Net Assets

For the government-wide financial statements, net assets are reported as restricted when constraints placed on net assets are either: (1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments, (2) imposed by law through constitutional provisions, or (3) imposed by enabling legislation. All of the District's restricted net assets were restricted as a result of enabling legislation.

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

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of Certain Differences Between the Governmental Funds Balance Sheet and the Government-wide Statement of Net Assets

The governmental funds balance sheet includes a reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “Long-term liabilities included in the statement of net assets are not due and payable in the current period and, accordingly, are not included in the governmental funds balance sheet.” The details of this difference are as follows:

West Northfield School District 31
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

(Continued)

1. Explanation of Certain Differences Between the Governmental Funds Balance Sheet and the Government-wide Statement of Net Assets (Continued)

Bonds payable	\$ 1,400,000
Compensated absences	<u>51,490</u>
Net adjustment to reduce fund balance-total governmental funds to arrive at net assets of governmental activities	<u>\$ 1,451,490</u>

2. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and Government-wide Statement of Activities

The governmental funds statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net assets - governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this difference are as follows:

Capital outlay	\$ 127,124
Depreciation expense	<u>(484,960)</u>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net assets of governmental activities	<u>\$ (357,836)</u>

West Northfield School District 31
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

(Continued)

2. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and Government-wide Statement of Activities (Continued)

Another element of that reconciliation states that "The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds." The details of this difference are as follows:

Principal payments		
General obligation bonds	\$	1,325,000
Compensated absences (net change)		<u>(25,246)</u>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net assets - governmental activities	\$	<u><u>1,299,754</u></u>

NOTE C - DEPOSITS AND INVESTMENTS

At June 30, 2010, the District's cash and investments consisted of the following:

	<u>Governmental</u>	<u>Fiduciary</u>	<u>Total</u>
Cash and investments	\$ <u>4,588,646</u>	\$ <u>20,608</u>	\$ <u>4,609,254</u>

For disclosure purposes, this amount is segregated into two components: 1) cash on hand; and 2) deposits with financial institutions, which include amounts held in demand accounts, savings accounts, and nonnegotiable certificates of deposit, as follows:

	<u>Total</u>
Deposits with financial institutions	\$ 1,512,140
Illinois School District Liquid Asset Fund Plus	2,979,150
The Illinois Funds	<u>117,964</u>
	<u>\$ 4,609,254</u>

West Northfield School District 31
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

1. Cash and Investments Under the Custody of the Township Treasurer

As explained in Note A, the Illinois Compiled Statutes require the District to utilize the investment services of the Township School Treasurer (the Treasurer). As such, the Treasurer is the lawful custodian of these school funds. The Treasurer is appointed by the Township Treasurer's Board of Trustees, an independently elected body, to serve the school districts in the township. The investment policies are established by the Treasurer, as prescribed by the Illinois School Code and the Illinois Compiled Statutes. The Treasurer is the direct recipient of property taxes, replacement taxes, and most state and federal aid, and disburses school funds upon lawful order to the School Board. The Treasurer invests excess funds at his/her discretion, subject to the legal restrictions discussed below.

District cash and investments (other than the student activity and imprest funds) are held by the Township Treasurer. The Treasurer maintains records that segregate the cash and investment balances by district. 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 also holds money market type investments and deposits with financial institutions, including certificates of deposit. As of June 30, 2010, the fair value of the District's cash and investments held by the Treasurer's office was \$3,730,500.

Interest Rate Risk

The District's investment policy, which is the same as the Treasurer's office, seeks to ensure preservation of capital in the District's overall portfolio. The highest return on investments is sought, consistent with the preservation of principal and prudent investment principles. The investment portfolio is required to provide sufficient liquidity to pay District obligations as they come due, considering maturity and marketability. The investment portfolio is also required to be diversified as to maturities and investments, as appropriate to the nature, purpose, and amount of funds. The District will also consider investments in local financial institutions, recognizing their contribution to the community's economic development.

West Northfield School District 31
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

2. Credit Risk

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is an unrated, not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from participating members. It is not registered with the SEC as an investment company, but operates in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments are valued at share price, which is the price for which the investment could be sold.

The Illinois Funds, a state investment pool, was rated AAAM by Standard & Poor's. The State Treasurer is the regulatory oversight agency for the pool and the State Treasurer is audited by the Illinois Auditor General to ensure that all state statutes are being followed. Each member owns a prorated share of each investment or deposit, which is held in the name of the fund. The fair value of the position in the external investment pool is the same as the value of the pool shares.

3. Cash and Investments in the Custody of the District

At June 30, 2010, the carrying value of the District's student activity funds was \$20,608, all of which was deposited with financial institutions.

4. Concentration of Credit Risk

The District's investment policy requires diversification of the investment portfolio to minimize the risk of loss resulting from overconcentration in a particular type of security, risk factor, issuer, or maturity. The policy requires diversification strategies to be determined and revised periodically by the District's Investment Officer to meet the District's ongoing need for safety, liquidity, and rate of return.

5. Concentration of Custodial Risk

With respect to deposits, custodial credit risk is 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. At June 30, 2010, the bank balance of the District's deposits with financial institutions totaled \$4,843,936.

West Northfield School District 31
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

5. Concentration of Custodial Risk (Continued)

With respect to investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy limits the exposure to investment custodial credit risk by requiring that all investments be secured by private insurance or collateral.

NOTE D - PROPERTY TAXES RECEIVABLE

The District must file its tax levy resolution by the last Tuesday in December of each year. The tax levy resolution was approved by the Board on December 17, 2009. The District's property tax is levied each year on all taxable real property located in the District and becomes a lien on the property on January 1 of that year. The owner of real property on January 1 (the lien date) in any year is liable for taxes of that year.

The Cook County Assessor is responsible for the assessment of all taxable property within Cook County except for certain railroad property, which is assessed directly by the state. One-third of the County is reassessed every year by the Assessor.

The Illinois Department of Revenue has the statutory responsibility of ensuring uniformity of real property assessments throughout the state. Each year, the Illinois Department of Revenue furnishes the county clerks with an adjustment factor to equalize the level of assessment between counties at one-third of market value. This factor (the equalization factor) is then applied to the assessed valuation to compute the valuation of property to which the tax rate will be applied (the equalized assessed valuation). The equalization factor for Cook County was 3.3701 for 2009 tax year.

The County Clerk adds the equalized assessed valuation of all real property in the County to the valuation of property assessed directly by the state (to which the equalization factor is not applied) to arrive at the base amount (the assessment base) used to calculate the annual tax rates, as described above. The equalized assessed valuation for the extension of the 2009 tax levy was \$814,495,058.

West Northfield School District 31
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE D - PROPERTY TAXES RECEIVABLE (continued)

Property taxes are collected by the Cook County Collector/Treasurer, who remits them to the School Treasurer its share of collections. Taxes levied in one year become due and payable in two installments on March 1 and approximately September 1 during the following year. The first installment is an estimated bill, and is fifty-five percent of the prior year's tax bill. Property taxes are normally collected by the District within 60 days of the respective installment dates. The second installment is based on the current levy, assessment, and equalization, and any changes from the prior year will be reflected in the second installment bill.

The portion of the 2009 property tax levy not received by June 30 is recorded as a receivable, net of estimated uncollectibles of 1%. The net receivables collected within the current year or due and expected to be collected soon enough thereafter to be used to pay liabilities of the current period, less the taxes collected soon enough after the end of the previous fiscal year, are recognized as revenue. Such time, thereafter, does not exceed 60 days. Net taxes receivable less the amount expected to be collected within 60 days is reflected as deferred revenue.

NOTE E - INTERFUND LOANS

The composition of interfund loan balances as of June 30, 2010 for the District's individual major funds, is as follows:

<u>Loan Receivable</u>	<u>Loan Payable Fund</u>	<u>Amount</u>
Working Cash	Educational	\$ 2,000,019
Working Cash	Operation & Maintenance	916,778
Working Cash	Transportation	90,000

The interfund balances exist to cover operation expenditures in the Education Fund, Operations and Maintenance Fund, and the Transportation Fund until the District collects property tax revenue. All amounts are expected to be repaid within the next year.

West Northfield School District 31
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE F - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2010 was as follows:

	<u>Balance</u> <u>July 1, 2009</u>	<u>Increases/</u> <u>Transfers</u>	<u>Decreases/</u> <u>Transfers</u>	<u>Balance</u> <u>June 30, 2010</u>
Capital assets, not being depreciated				
Land	\$ 81,393	\$ -	\$ -	\$ 81,393
Total capital assets not being depreciated	<u>81,393</u>	<u>-</u>	<u>-</u>	<u>81,393</u>
Capital assets, being depreciated				
Buildings	15,138,929	-	-	15,138,929
Building improvements	884,296	-	-	884,296
Equipment	2,260,976	127,124	-	2,388,100
Vehicles	<u>35,501</u>	<u>-</u>	<u>-</u>	<u>35,501</u>
Total capital assets being depreciated	<u>18,319,702</u>	<u>127,124</u>	<u>-</u>	<u>18,446,826</u>
Less accumulated depreciation for:				
Buildings	4,383,435	305,351	-	4,688,786
Building improvements	245,899	25,265	-	271,164
Equipment	1,009,891	154,320	-	1,164,211
Vehicles	<u>35,477</u>	<u>24</u>	<u>-</u>	<u>35,501</u>
Total accumulated depreciation	<u>5,674,702</u>	<u>484,960</u>	<u>-</u>	<u>6,159,662</u>
Total capital assets being depreciated, net	<u>12,645,000</u>	<u>(357,836)</u>	<u>-</u>	<u>12,287,164</u>
Governmental activities capital assets, net	<u>\$ 12,726,393</u>	<u>\$ (357,836)</u>	<u>\$ -</u>	<u>\$ 12,368,557</u>

West Northfield School District 31
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE G - SHORT-TERM DEBT

In November 2009, the District obtained a Non-Revolving Line of Credit Tax Anticipation Loan in the amount of \$1,410,000 with interest at 3.55% and matured on January 15, 2010. The proceeds of the loan were used by the District for necessary expenses of the District incurred for educational and building purposes, until such time as tax revenue was collected from taxes levied on property within the District for the levy year 2008. The following is the short-term debt activity for the District for the year ended June 30, 2010:

	<u>Balance at July 1, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2010</u>
Non-Revolving Line of Credit Tax Anticipation Loan	\$ <u> -</u>	\$ <u> 1,000,000</u>	\$ <u> 1,000,000</u>	<u> -</u>

NOTE H - LONG-TERM LIABILITIES

The following is the long-term liability activity for the District for the year ended June 30, 2010:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Bonds payable	\$ 2,725,000	\$ -	\$ 1,325,000	\$ 1,400,000	\$ 1,400,000
Compensated absences	<u>26,064</u>	<u>51,490</u>	<u>26,064</u>	<u>51,490</u>	<u>-</u>
	<u>\$ 2,751,064</u>	<u>\$ 51,490</u>	<u>\$ 1,351,064</u>	<u>\$ 1,451,490</u>	<u>\$ 1,400,000</u>

1. Bonds Payable

The summary of activity in bonds payable for the year ended June 30, 2010 is as follows:

	<u>Bonds Payable July 1, 2009</u>	<u>Debt Issued</u>	<u>Debt Retired</u>	<u>Bonds Payable June 30, 2010</u>
\$5,000,000 Working Cash Fund Bonds, dated February 1, 2001, due December 1, 2010, interest at 3.95% - 4.00%.	\$ <u> 2,725,000</u>	\$ <u> -</u>	\$ <u> 1,325,000</u>	<u> 1,400,000</u>

West Northfield School District 31
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE H - LONG-TERM LIABILITIES (Continued)

1. Bonds Payable (Continued)

	Interest Rates	Original Amount	Carrying Amount
Working Cash - 2001	3.95% - 4.00%	\$ <u>5,000,000</u>	\$ <u>1,400,000</u>

At June 30, 2010, the District's future cash flow requirements for retirement of bond principal was as follows:

Year Ending June 30	Principal	Interest	Total
2011	\$ <u>1,400,000</u>	\$ <u>56,000</u>	\$ <u>1,456,000</u>

These payments will be made from amounts budgeted from the debt service tax levies in future periods. There is \$363,813 in the Debt Service Fund to service the outstanding bonds payable. As of June 30, 2010, the District was in compliance with all significant bond covenants.

NOTE I - RETIREMENT FUND COMMITMENTS

1. Teachers' Retirement System of the State of Illinois

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 the primary responsibility for funding the plan, but contributions from participating employers and members are also required. The TRS Board of Trustees is responsible for the System's administration.

West Northfield School District 31
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE I - RETIREMENT FUND COMMITMENTS (Continued)

1. Teacher's Retirement System of the State of Illinois (Continued)

TRS members include all active nonannuitants who are employed by a TRS-covered employer to provide services for which teacher certification is required. The active member contribution rate for the year ended June 30, 2010 was 9.4 percent of creditable earnings. These contributions, which may be paid on behalf of the employees by the employer, are submitted to TRS by the employer. The active member contribution rate was also 9.4 percent for the years ended June 30, 2009 and June 30, 2008.

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

On-behalf Contributions to TRS

The state of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2010, the state of Illinois contributions were based on 23.38 percent of creditable earnings not paid from federal funds, and the District recognized revenue and expenditures of \$1,471,608 in pension contributions that the state of Illinois paid directly to TRS. For the years ended June 30, 2009 and June 30, 2008, the state of Illinois contribution rates as percentages of creditable earnings not paid from federal funds were 17.08%, or \$1,041,019, and 13.11%, or \$794,019, respectively.

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

2.2 Formula Contributions

Employers contributed 0.58 percent of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2010 were \$36,507. Contributions for the years ended June 30, 2009 and June 30, 2008 were \$35,351 and \$35,128, 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 employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that was first effective for the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and special trust funds will be the same as the state contribution rate to TRS.

For the year ended June 30, 2010, the employer pension contribution was 23.38 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2009 and June 30, 2008, the employer pension contribution was 17.08 and 13.11 percent of salaries paid from federal and special trust funds, respectively. For the year ended June 30, 2010, salaries totaling \$198,940 were paid from federal and special trust funds that required employer contributions of \$46,510. For the years ended June 30, 2009 and June 30, 2008, required District contributions were \$14,367 and \$11,148, respectively.

West Northfield School District 31
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE I - RETIREMENT FUND COMMITMENTS (Continued)

1. Teacher's Retirement System of the State of Illinois (Continued)

Early Retirement Option (ERO)

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

Public Act 94-0004 made changes in the ERO program that were in effect for all ERO retirements in fiscal years 2008 through 2010. The act increased member and employer contributions and eliminated the waiver of member and employer ERO contributions that had been in effect for members with 34 years of service.

Under the current ERO, the maximum employer contribution is 117.5 percent and applies when the member is age 55 at retirement.

For the year ended June 30, 2010, the District paid \$0 to TRS for employer contributions under the ERO program. For the years ended June 30, 2009 and June 30, 2008, the District paid \$0 and \$0 in employer ERO contributions, respectively.

Salary Increased Over 6 percent and Excess Sick Leave

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

If an employer grants salary increases over 6 percent and those salaries are used to calculate a retiree's final average salary, the employer makes a contribution to TRS. The contribution will cover the difference in actuarial cost of the benefit based on actual salary increases and the benefit based on salary increases of up to 6 percent.

For the year ended June 30, 2010, the District paid \$0 to TRS for employer contributions due on salary increases in excess of 6 percent. For the years ended June 30, 2009 and June 30, 2008, the District paid \$0 and \$0, respectively, to TRS for employer contributions due on salary increases in excess of 6 percent.

If an employer grants sick leave days in excess of the normal annual allotment and those days are used as TRS service credit, the employer makes a contribution to TRS. The contribution is based on the number of excess sick leave days used as service credit, the highest salary used to calculate final average salary, and the TRS total normal cost rate (18.55 percent of salary during the year ended June 30, 2010).

West Northfield School District 31
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE I - RETIREMENT FUND COMMITMENTS (Continued)

1. Teacher's Retirement System of the State of Illinois (Continued)

Salary Increased Over 6 percent and Excess Sick Leave (Continued)

For the year ended June 30, 2010, the District paid \$0 to TRS for sick leave days granted in excess of the normal annual allotment. For the years ended June 30, 2009 and June 30, 2008, the District paid \$0 and \$0, respectively, in employer contributions granted for sick leave days.

TRS financial information, an explanation of TRS benefits, and descriptions of member, employer, and state funding requirements can be found in the TRS Comprehensive Annual Financial Report for the year ended June 30, 2009. The report for the year ended June 30, 2010 is expected to be available in late 2010.

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, Illinois 62794-9253. The most current report is also available on the TRS Web site at trs.illinois.gov.

THIS Fund Employer Contributions

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

West Northfield School District 31
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE I - RETIREMENT FUND COMMITMENTS (Continued)

1. Teacher's Retirement System of the State of Illinois (Continued)

THIS Fund Employer Contributions (Continued)

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

On-behalf Contributions to THIS Fund

The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members, which were 0.84 percent of pay during the year ended June 30, 2010. State of Illinois contributions were \$52,872, and the District recognized revenue and expenditures of this amount during the year.

State contributions intended to match active member contributions during the years ended June 30, 2009 and June 30, 2008 were also 0.84 percent of pay. State contributions on behalf of District employees were \$51,198 and \$50,875, respectively.

Employer Contributions to THIS Fund

The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.63 percent during the years ended June 30, 2010, June 30, 2009, and June 30, 2008. For the year ended June 30, 2010, the District paid \$39,654 to the THIS Fund. For the years ended June 30, 2009 and June 30, 2008, the District paid \$38,393 and \$38,157, respectively, to the THIS Fund, which was 100 percent of the required contribution.

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

2. Illinois Municipal Retirement Fund

Plan Description

The District's defined benefit pension plan for regular employees provides retirement and disability benefits, postretirement 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. That report may be obtained on-line at www.imrf.org.

West Northfield School District 31
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE I - RETIREMENT FUND COMMITMENTS (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Funding Policy

As set by state statute, the District's regular plan members are required to contribute 4.5 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 employer contribution rate for calendar year 2009 was 8.40 percent of annual covered payroll. 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 state statute.

Annual Pension Cost

For fiscal year ended December 31, 2009, the District's annual pension cost of \$98,992 for the regular plan was equal to the District's required and actual contributions.

Three-Year Trend Information for the Regular Plan

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/09	\$ 98,992	100%	\$ -
12/31/08	108,689	100%	-
12/31/07	111,084	100%	-

The required contribution for 2009 was determined as part of the December 31, 2007 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2007 included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 10 percent per year depending on age and service, attributable to seniority/merit, and (d) postretirement benefit increases of 3 percent annually. The actuarial value of the District's regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 15 percent corridor between the actuarial value and market value of assets. The District's regular plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at the December 31, 2007 valuation was 23 years.

West Northfield School District 31
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE I - RETIREMENT FUND COMMITMENTS (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Funded Status and Funding Progress

As of December 31, 2009, the most recent actuarial valuation date, the regular plan was 68.12 percent funded. The actuarial accrued liability for benefits was \$2,200,835 and the actuarial value of assets was \$1,499,239, resulting in an underfunded actuarial accrued liability (UAAL) of \$701,596. The covered payroll (annual payroll of active employees covered by the plan) was \$1,178,482 and the ratio of the UAAL to the covered payroll was 60 percent. In conjunction with the December 2009 actuarial valuation, the market value of investments was determined using techniques that spread the effect of short-term volatility in the market value of investments over a five-year period, with a 20 percent corridor between the actuarial and market value of assets. In 2010, the unfunded actuarial accrued liability is being amortized on a level percentage of projected payroll on an open 30 year basis.

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

3. Social Security/Medicare

Employees not qualifying for coverage under the Illinois Teachers' Retirement System or the Illinois Municipal Retirement Fund are considered "nonparticipating employees". These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security/Medicare. The District paid the total required contribution for the current fiscal year.

NOTE J - OTHER POSTEMPLOYMENT BENEFITS

The District currently provides postemployment benefits to two individual. The agreement terminates when the individuals reach age 65 or June 30, 2011. The amount paid by the District for the year ended June 30, 2010 approximated \$23,000.

NOTE K - OPERATING LEASES

The District leases copier equipment under several operating leases. These noncancelable leases have an annual cost ranging from \$3,552 to \$20,304 through April 2013. On July 1, 2010, the District purchased all leased equipment.

West Northfield School District 31
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE L - JOINT AGREEMENTS

The District is a member of the North Suburban Special Education District (NSSSED), 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 should not be included as component units of the District.

NOTE M - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to, and destructions of assets, errors and omissions, injuries to employees, and natural disasters. The District purchases coverage against such risks and participates in the following public entity risk pools: Educational Benefit Cooperative (EBC) for health benefit claims; and Suburban School Cooperative Insurance Pool (SSCIP) for property damage and injury claims. The District pays annual premiums to the pools for insurance coverage. The arrangements with the pools provide that the pools will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain levels established by the pools.

The District continues to carry commercial insurance for all other risks of loss, including torts, workers compensation and professional liability insurance.

Settled claims have not exceeded commercial insurance coverage for the past three fiscal years.

NOTE N - CONTINGENCIES

1. Litigation

The District is a defendant in various tax objection lawsuits, the outcome of which is presently not determinable. Although the District will continue to vigorously defend these lawsuits, an unfavorable outcome could have a significant effect on future tax revenues.

2. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

West Northfield School District 31
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE O - DEFICIT FUND BALANCES

The following funds had deficit fund balances at June 30, 2010:

<u>Fund</u>	<u>Amount</u>
Operations and maintenance	\$ 621,540
Transportation	13,221

NOTE P - SUBSEQUENT EVENTS

The District issued General Obligation Limited School Bonds Series 2010A and Taxable General Obligation Limited School Bonds Series 2010B in October 2010, which yielded proceeds of \$2,695,000 and \$265,000, respectively. The General Obligation Limited School Bonds Series 2010A mature in five separate installments between 2012 and 2016 and incur interest between 2.0 and 3.0 percent. Taxable General Obligation Limited School Bonds Series 2010B mature in one installment in 2012 and incur interest of 0.85 percent. All related proceeds are designated to increase the working cash fund of the District.

Management has evaluated subsequent events through March 4, 2011, the date that these financial statements were available to be issued. Management has determined that no events or transactions, other than the event disclosed above, have occurred subsequent to the balance sheet date that require additional disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

West Northfield School District 31
SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND
June 30, 2010

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4)/(5)
12/31/09	\$ 1,499,239	\$ 2,200,835	68.12 %	\$ 701,596	\$ 1,178,482	59.53 %
12/31/08	1,487,272	2,170,789	68.51	683,517	1,155,038	59.18
12/31/07	2,122,110	2,133,459	99.47	11,349	1,188,070	0.96

On a market value basis, the actuarial value of assets as of December 31, 2009 is \$1,422,330. On a market basis, the funded ratio would be 64.63%.

West Northfield School District 31

General (Educational) Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2010

With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010		Variance From Final Budget	2009 Actual
	Original and Final Budget	Actual		
Revenue				
Local sources				
General levy	\$ 8,842,000	\$ 8,938,428	\$ 96,428	\$ 8,315,731
Corporate personal property replacement taxes	211,000	163,093	(47,907)	378,181
Summer school tuition from pupils or parents	4,000	5,800	1,800	-
Interest on investments	24,000	485	(23,515)	21,826
Sales to pupils - lunch	312,000	312,832	832	6,291
Fees	5,500	15,875	10,375	2,441
Other District/school activity revenue	-	-	-	3,610
Rentals - regular textbook	71,050	60,689	(10,361)	67,730
Rentals - summer school textbook	-	4,400	4,400	-
Contributions and donations from private sources	-	11,819	11,819	35,370
Refund of prior years' expenditures	2,580	17,751	15,171	-
Local fees	1,000	-	(1,000)	-
Other	-	5,007	5,007	15,722
Total local sources	<u>9,473,130</u>	<u>9,536,179</u>	<u>63,049</u>	<u>8,846,902</u>
State sources				
General State Aid	212,100	195,539	(16,561)	153,551
Special Education - Private Facility Tuition	16,000	-	(16,000)	37,338
Special Education - Extraordinary	115,000	115,751	751	117,808
Special Education - Personnel	140,000	143,260	3,260	139,940
Special Education - Summer School	700	3,279	2,579	622
CTE - Student Organizations	850	-	(850)	600
Bilingual Education - Downstate - T.P.I. and T.P.E.	46,000	32,621	(13,379)	33,065
Reading Improvement Block Grant	36,300	36,328	28	39,411
School Safety and Educational Block Grant (Flat Grant)	16,500	7,384	(9,116)	39,730
Other state sources	700	4,921	4,221	622
On Behalf Payments to TRS from the State	800,000	1,524,480	724,480	1,092,217
Total state sources	<u>1,384,150</u>	<u>2,063,563</u>	<u>679,413</u>	<u>1,654,904</u>

(Continued)

West Northfield School District 31

General (Educational) Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2010

With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010		Variance From Final Budget	2009 Actual
	Original and Final Budget	Actual		
Federal sources				
Special Milk Program	\$ 10,000	\$ 9,947	\$ (53)	\$ 13,044
Title I - Low Income	-	121,664	121,664	-
Safe and Drug Free Schools - Formula (Title IV)	2,300	2,328	28	1,393
Fed. - Sp. Ed. - I.D.E.A. - Flow Through	109,000	99,801	(9,199)	101,048
Fed. - Sp. Ed. - I.D.E.A. - Room & Board	90,000	138,533	48,533	73,203
ARRA General State Aid - Education Stabilization	-	32,751	32,751	50,930
ARRA Title I - Low Income	89,600	52,644	(36,956)	-
ARRA IDEA - Part B - Preschool	-	9,113	9,113	-
ARRA IDEA - Part B - Flow-Through	179,000	168,204	(10,796)	-
ARRA General State Aid - Other Govt Svcs Stab.	10,900	10,917	17	-
Emergency Immigrant Assistance	-	-	-	18,480
Title III - English Language Acquisition	10,500	17,121	6,621	18,444
Learn & Serve America	8,000	10,000	2,000	7,621
Title II - Teacher Quality	33,400	21,000	(12,400)	23,340
Fee-For-Service-Program	-	6,442	6,442	-
	542,700	700,465	157,765	307,503
Total federal sources	542,700	700,465	157,765	307,503
Total revenue	11,399,980	12,300,207	900,227	10,809,309
Expenditures				
Instruction				
Regular programs				
Salaries	4,281,275	4,143,443	137,832	4,311,658
Employee benefits	472,930	475,535	(2,605)	535,935
On-behalf payments to TRS from the state	800,000	1,524,480	(724,480)	1,092,217
Purchased services	26,850	3,350	23,500	28,658
Supplies and materials	253,710	140,879	112,831	253,251
Capital outlay	46,410	3,285	43,125	67,171
Other objects	24,160	(1,722)	25,882	26,512
Termination benefits	-	15,988	(15,988)	-
	5,905,335	6,305,238	(399,903)	6,315,402
Total	5,905,335	6,305,238	(399,903)	6,315,402

(Continued)

West Northfield School District 31

General (Educational) Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2010

With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010			2009 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Special education programs				
Salaries	\$ 556,050	\$ 581,195	\$ (25,145)	\$ 539,590
Employee benefits	106,285	103,452	2,833	91,492
Purchased services	21,900	11,952	9,948	2,675
Supplies and materials	38,525	22,981	15,544	9,603
Capital outlay	<u>23,500</u>	<u>13,462</u>	<u>10,038</u>	<u>-</u>
Total	<u>746,260</u>	<u>733,042</u>	<u>13,218</u>	<u>643,360</u>
Remedial and Supplemental programs K-12				
Salaries	57,750	111,844	(54,094)	-
Employee benefits	7,960	24,112	(16,152)	-
Purchased services	-	4,000	(4,000)	-
Supplies and materials	<u>6,000</u>	<u>15,569</u>	<u>(9,569)</u>	<u>-</u>
Total	<u>71,710</u>	<u>155,525</u>	<u>(83,815)</u>	<u>-</u>
CTE programs				
Purchased services	-	1,659	(1,659)	-
Supplies and materials	<u>-</u>	<u>14,326</u>	<u>(14,326)</u>	<u>-</u>
Total	<u>-</u>	<u>15,985</u>	<u>(15,985)</u>	<u>-</u>
Interscholastic programs				
Salaries	68,825	160,380	(91,555)	62,573
Employee benefits	800	1,466	(666)	632
Purchased services	8,500	29,833	(21,333)	5,718
Supplies and materials	6,475	22,420	(15,945)	6,672
Other objects	<u>1,450</u>	<u>-</u>	<u>1,450</u>	<u>857</u>
Total	<u>86,050</u>	<u>214,099</u>	<u>(128,049)</u>	<u>76,452</u>

(Continued)

West Northfield School District 31

General (Educational) Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2010

With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010			2009 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Summer school programs				
Salaries	\$ 27,000	\$ 22,251	\$ 4,749	\$ 30,260
Employee benefits	250	248	2	333
Supplies and materials	<u>300</u>	<u>61</u>	<u>239</u>	<u>247</u>
Total	<u>27,550</u>	<u>22,560</u>	<u>4,990</u>	<u>30,840</u>
Gifted programs				
Salaries	98,535	96,535	2,000	103,638
Employee benefits	6,780	6,789	(9)	6,682
Purchased services	-	8,070	(8,070)	-
Supplies and materials	3,330	1,895	1,435	2,811
Other objects	<u>16,000</u>	<u>-</u>	<u>16,000</u>	<u>23,448</u>
Total	<u>124,645</u>	<u>113,289</u>	<u>11,356</u>	<u>136,579</u>
Bilingual programs				
Salaries	315,525	225,938	89,587	186,850
Employee benefits	38,440	30,244	8,196	28,021
Purchased services	3,600	-	3,600	-
Supplies and materials	<u>7,775</u>	<u>8,271</u>	<u>(496)</u>	<u>6,492</u>
Total	<u>365,340</u>	<u>264,453</u>	<u>100,887</u>	<u>221,363</u>
Spec. Ed. Programs K-12 - private tuition				
Other objects	<u>-</u>	<u>146,759</u>	<u>(146,759)</u>	<u>-</u>
Total instruction	<u>7,326,890</u>	<u>7,970,950</u>	<u>(644,060)</u>	<u>7,423,996</u>

(Continued)

West Northfield School District 31

General (Educational) Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2010

With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010		Variance From Final Budget	2009 Actual
	Original and Final Budget	Actual		
Support services				
Pupils				
Attendance and social work services				
Salaries	\$ 160,530	\$ 160,365	\$ 165	\$ 153,019
Employee benefits	23,310	23,436	(126)	21,994
Purchased services	5,500	-	5,500	4,116
Supplies and materials	<u>2,500</u>	<u>669</u>	<u>1,831</u>	<u>1,747</u>
Total	<u>191,840</u>	<u>184,470</u>	<u>7,370</u>	<u>180,876</u>
Guidance services				
Employee benefits	-	162	(162)	-
Purchased services	-	2,742	(2,742)	-
Supplies and materials	<u>-</u>	<u>3,461</u>	<u>(3,461)</u>	<u>-</u>
Total	<u>-</u>	<u>6,365</u>	<u>(6,365)</u>	<u>-</u>
Health services				
Salaries	79,850	73,481	6,369	72,780
Employee benefits	8,795	7,346	1,449	7,922
Purchased services	1,550	-	1,550	1,200
Supplies and materials	<u>2,150</u>	<u>1,723</u>	<u>427</u>	<u>2,272</u>
Total	<u>92,345</u>	<u>82,550</u>	<u>9,795</u>	<u>84,174</u>
Psychological services				
Salaries	73,030	19,610	53,420	3,454
Employee benefits	15,220	7,760	7,460	477
Purchased services	6,000	3,860	2,140	3,190
Supplies and materials	<u>1,500</u>	<u>55</u>	<u>1,445</u>	<u>1,741</u>
Total	<u>95,750</u>	<u>31,285</u>	<u>64,465</u>	<u>8,862</u>

(Continued)

West Northfield School District 31

General (Educational) Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2010

With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010		Variance From Final Budget	2009 Actual
	Original and Final Budget	Actual		
Speech pathology and audiology services				
Salaries	\$ 194,000	\$ 192,578	\$ 1,422	\$ 191,028
Employee benefits	24,130	19,965	4,165	20,877
Supplies and materials	2,850	1,718	1,132	2,468
Termination benefits	-	1,500	(1,500)	-
Total	<u>220,980</u>	<u>215,761</u>	<u>5,219</u>	<u>214,373</u>
Other support services - pupils				
Salaries	129,085	38,632	90,453	124,312
Employee benefits	36,285	112	36,173	32,384
Purchased services	3,500	-	3,500	2,194
Supplies and materials	700	-	700	1,199
Capital outlay	4,000	-	4,000	3,720
Other objects	1,000	-	1,000	308
Total	<u>174,570</u>	<u>38,744</u>	<u>135,826</u>	<u>164,117</u>
Total pupils	<u>775,485</u>	<u>559,175</u>	<u>216,310</u>	<u>652,402</u>
Instructional staff				
Improvement of instruction services				
Salaries	53,500	34,242	19,258	49,707
Employee benefits	700	420	280	325
Purchased services	26,500	24,914	1,586	36,775
Supplies and materials	1,000	5,561	(4,561)	30,950
Total	<u>81,700</u>	<u>65,137</u>	<u>16,563</u>	<u>117,757</u>
Educational media services				
Salaries	167,265	167,224	41	158,772
Employee benefits	23,625	23,715	(90)	22,283
Purchased services	8,300	8,349	(49)	6,746
Supplies and materials	26,700	19,214	7,486	26,474
Capital outlay	-	-	-	2,743
Total	<u>225,890</u>	<u>218,502</u>	<u>7,388</u>	<u>217,018</u>

(Continued)

West Northfield School District 31

General (Educational) Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2010

With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010		Variance From Final Budget	2009 Actual
	Original and Final Budget	Actual		
Assessment and testing				
Purchased services	\$ 12,500	\$ 12,339	\$ 161	\$ -
Supplies and materials	<u>1,000</u>	<u>84</u>	<u>916</u>	<u>-</u>
Total	<u>13,500</u>	<u>12,423</u>	<u>1,077</u>	<u>-</u>
Total instructional staff	<u>321,090</u>	<u>296,062</u>	<u>25,028</u>	<u>334,775</u>
General administration				
Board of education services				
Salaries	2,550	2,533	17	1,560
Employee benefits	-	-	-	64,877
Purchased services	84,650	106,385	(21,735)	2,520
Supplies and materials	2,500	4,512	(2,012)	-
Other objects	<u>8,800</u>	<u>10,638</u>	<u>(1,838)</u>	<u>8,650</u>
Total	<u>98,500</u>	<u>124,068</u>	<u>(25,568)</u>	<u>77,607</u>
Executive administration services				
Salaries	258,600	259,202	(602)	231,160
Employee benefits	49,325	49,114	211	40,966
Purchased services	9,100	7,285	1,815	42,586
Supplies and materials	2,850	1,954	896	6,977
Capital outlay	-	-	-	443
Other objects	3,500	2,574	926	2,485
Termination benefits	<u>24,400</u>	<u>24,032</u>	<u>368</u>	<u>-</u>
Total	<u>347,775</u>	<u>344,161</u>	<u>3,614</u>	<u>324,617</u>
Special area administrative services				
Salaries	-	155,802	(155,802)	-
Employee benefits	-	35,354	(35,354)	-
Purchased services	-	2,363	(2,363)	-
Supplies and materials	-	459	(459)	-
Other objects	<u>-</u>	<u>186</u>	<u>(186)</u>	<u>-</u>
Total	<u>-</u>	<u>194,164</u>	<u>(194,164)</u>	<u>-</u>

(Continued)

West Northfield School District 31

General (Educational) Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2010

With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010		Variance From Final Budget	2009 Actual
	Original and Final Budget	Actual		
Tort immunity services				
Purchased services	\$ 41,500	\$ 24,162	\$ 17,338	\$ -
Total	41,500	24,162	17,338	-
Total general administration	487,775	686,555	(198,780)	402,224
Office of the principal services				
Salaries	461,850	461,660	190	470,860
Employee benefits	101,840	113,681	(11,841)	119,635
Purchased services	5,000	2,802	2,198	4,294
Supplies and materials	9,900	8,719	1,181	10,834
Capital outlay	-	-	-	443
Other objects	2,200	1,620	580	1,908
Total	580,790	588,482	(7,692)	607,974
Total school administration	580,790	588,482	(7,692)	607,974
Business				
Direction of business support services				
Salaries	166,200	126,081	40,119	174,708
Employee benefits	40,850	27,522	13,328	31,841
Purchased services	1,500	48,670	(47,170)	1,054
Supplies and materials	1,250	931	319	(1,050)
Other objects	1,000	965	35	1,005
Total	210,800	204,169	6,631	207,558
Fiscal services				
Salaries	48,750	45,187	3,563	20,912
Employee benefits	7,255	6,672	583	3,397
Purchased services	-	1,208	(1,208)	-
Supplies and materials	-	383	(383)	-
Other objects	-	2,797	(2,797)	-
Total	56,005	56,247	(242)	24,309

(Continued)

West Northfield School District 31

General (Educational) Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2010

With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010		Variance From Final Budget	2009 Actual
	Original and Final Budget	Actual		
Food services				
Salaries	\$ 4,450	\$ -	\$ 4,450	\$ 43,915
Employee benefits	170	-	170	108
Purchased services	-	120	(120)	-
Supplies and materials	323,000	311,057	11,943	19,616
Capital outlay	-	694	(694)	-
Total	<u>327,620</u>	<u>311,871</u>	<u>15,749</u>	<u>63,639</u>
Internal services				
Purchased services	36,750	19,513	17,237	-
Supplies and materials	3,500	24,782	(21,282)	18,398
Total	<u>40,250</u>	<u>44,295</u>	<u>(4,045)</u>	<u>18,398</u>
Total business	<u>634,675</u>	<u>616,582</u>	<u>18,093</u>	<u>313,904</u>
Central				
Direction of central support services				
Employee benefits	-	-	-	30,088
Purchased services	-	-	-	46,660
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>76,748</u>
Information services				
Salaries	53,000	53,000	-	50,000
Employee benefits	14,520	14,554	(34)	14,056
Purchased services	9,700	11,354	(1,654)	-
Supplies and materials	500	451	49	10,668
Other objects	2,000	885	1,115	277
Total	<u>79,720</u>	<u>80,244</u>	<u>(524)</u>	<u>75,001</u>

(Continued)

West Northfield School District 31

General (Educational) Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2010

With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010			2009 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Staff services				
Salaries	\$ 23,000	\$ 15,829	\$ 7,171	\$ 26,437
Employee benefits	5,660	3,086	2,574	320
Purchased services	500	258	242	350
Supplies and materials	600	242	358	1,014
Other objects	-	17,685	(17,685)	-
Total	<u>29,760</u>	<u>37,100</u>	<u>(7,340)</u>	<u>28,121</u>
Data processing services				
Salaries	-	80,342	(80,342)	-
Employee benefits	-	7,277	(7,277)	-
Purchased services	-	32,084	(32,084)	-
Supplies and materials	-	59,599	(59,599)	-
Capital outlay	-	154,226	(154,226)	-
Other objects	-	4,553	(4,553)	-
Total	<u>-</u>	<u>338,081</u>	<u>(338,081)</u>	<u>-</u>
Total central	<u>109,480</u>	<u>455,425</u>	<u>(345,945)</u>	<u>179,870</u>
Other supporting services				
Purchased services	-	810	(810)	-
Supplies and materials	-	351	(351)	-
Total	<u>-</u>	<u>1,161</u>	<u>(1,161)</u>	<u>-</u>
Total support services	<u>2,909,295</u>	<u>3,203,442</u>	<u>(294,147)</u>	<u>2,491,149</u>
Community services				
Purchased services	-	12,050	(12,050)	-
Total	<u>-</u>	<u>12,050</u>	<u>(12,050)</u>	<u>-</u>

(Continued)

West Northfield School District 31

General (Educational) Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2010

With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010		Variance From Final Budget	2009 Actual
	Original and Final Budget	Actual		
Payments to Other Districts & Gov't Units				
Payments for special education programs				
Purchased services	\$ 187,950	\$ -	\$ 187,950	\$ 88,650
Other objects	<u>115,000</u>	<u>1,262,932</u>	<u>(1,147,932)</u>	<u>-</u>
Total	<u>302,950</u>	<u>1,262,932</u>	<u>(959,982)</u>	<u>88,650</u>
Payments for Spec. Ed. programs - tuition				
Other objects	<u>753,000</u>	<u>-</u>	<u>753,000</u>	<u>712,401</u>
Payments for other programs - tuition				
Other objects	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,324</u>
Payments to other Gov't units (out of state)				
Purchased services	102,500	-	102,500	-
Other objects	<u>20,000</u>	<u>-</u>	<u>20,000</u>	<u>-</u>
Total payments to other districts & other Gov'ts	<u>1,178,450</u>	<u>1,262,932</u>	<u>(84,482)</u>	<u>804,375</u>
Debt service				
Other interest	<u>-</u>	<u>3,664</u>	<u>(3,664)</u>	<u>-</u>
Total debt service	<u>-</u>	<u>3,664</u>	<u>(3,664)</u>	<u>-</u>
Provision for contingencies	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>11,464,635</u>	<u>12,453,038</u>	<u>(988,403)</u>	<u>10,719,520</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (64,655)</u>	<u>(152,831)</u>	<u>\$ (88,176)</u>	<u>89,789</u>
Fund balance, beginning of year		<u>261,199</u>		<u>171,410</u>
Fund balance, end of year		<u>\$ 108,368</u>		<u>\$ 261,199</u>

(Concluded)

West Northfield School District 31
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (DEFICIT) - BUDGET AND ACTUAL
For the Year Ended June 30, 2010
With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010		Variance From Final Budget	2009 Actual
	Original and Final Budget	Actual		
Revenue				
Local sources				
General levy	\$ 1,350,000	\$ 1,418,736	\$ 68,736	\$ 1,323,724
Interest on investments	1,000	135	(865)	-
Rentals	8,000	8,850	850	1,395
Contributions and donations from private sources	-	-	-	30,709
Other	-	256	256	15,405
Total local sources	<u>1,359,000</u>	<u>1,427,977</u>	<u>68,977</u>	<u>1,371,233</u>
Total revenue	<u>1,359,000</u>	<u>1,427,977</u>	<u>68,977</u>	<u>1,371,233</u>
Expenditures				
Support services				
Pupils				
Purchased services	-	27,502	(27,502)	-
Total	<u>-</u>	<u>27,502</u>	<u>(27,502)</u>	<u>-</u>
Business				
Direction of business support services				
Purchased services	-	-	-	2,979
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,979</u>
Facilities acquisition and construction services				
Capital outlay	-	3,160	(3,160)	-
Total	<u>-</u>	<u>3,160</u>	<u>(3,160)</u>	<u>-</u>

(Continued)

West Northfield School District 31
 Operations and Maintenance Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES (DEFICIT) - BUDGET AND ACTUAL
 For the Year Ended June 30, 2010
 With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010			
	Original and	Actual	Variance	2009
	Final Budget		From Final Budget	Actual
Operation and maintenance of plant services				
Salaries	\$ 359,080	\$ 366,314	\$ (7,234)	\$ 333,236
Employee benefits	63,470	70,178	(6,708)	58,984
Purchased services	346,400	459,175	(112,775)	449,753
Supplies and materials	462,300	304,718	157,582	451,981
Capital outlay	45,100	71,702	(26,602)	41,812
Other objects	100	-	100	-
Total	<u>1,276,450</u>	<u>1,272,087</u>	<u>4,363</u>	<u>1,335,766</u>
Total business	<u>1,276,450</u>	<u>1,275,247</u>	<u>1,203</u>	<u>1,338,745</u>
Total support services	<u>1,276,450</u>	<u>1,302,749</u>	<u>(26,299)</u>	<u>1,338,745</u>
Provision for contingencies	<u>16,000</u>	<u>-</u>	<u>16,000</u>	<u>-</u>
Total expenditures	<u>1,292,450</u>	<u>1,302,749</u>	<u>(10,299)</u>	<u>1,338,745</u>
Excess of revenues over expenditures	<u>\$ 66,550</u>	125,228	<u>\$ 58,678</u>	32,488
Fund deficit, beginning of year		<u>(746,768)</u>		<u>(779,256)</u>
Fund deficit, end of year		<u>\$ (621,540)</u>		<u>\$ (746,768)</u>

(Concluded)

West Northfield School District 31

Tort Immunity and Judgment Fund

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2010

With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010		Variance From Final Budget	2009 Actual
	Original and Final Budget	Actual		
Revenue				
Local sources				
Corporate Personal Property				
Replacement Taxes	\$ 103,000	\$ 88,268	\$ (14,732)	\$ -
Interest on Investments	<u>-</u>	<u>25</u>	<u>25</u>	<u>-</u>
Total local sources	<u>103,000</u>	<u>88,293</u>	<u>(14,707)</u>	<u>-</u>
Total revenue	<u>103,000</u>	<u>88,293</u>	<u>(14,707)</u>	<u>-</u>
Expenditures				
Support Services - General Administration				
Claims paid from self insurance fund				
Purchased services	-	59,071	(59,071)	-
Supplies and materials	<u>-</u>	<u>1,587</u>	<u>(1,587)</u>	<u>-</u>
Total	<u>-</u>	<u>60,658</u>	<u>(60,658)</u>	<u>-</u>
Workers' Comp. or Workers' Occ Dis Pmts				
Purchased services	<u>49,000</u>	<u>-</u>	<u>49,000</u>	<u>-</u>
Total	<u>49,000</u>	<u>-</u>	<u>49,000</u>	<u>-</u>
Unemployment insurance payments				
Employee benefits	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>-</u>
Total	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>-</u>
Insurance payments (reg of self insured)				
Purchased services	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>
Total	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>

(Continued)

West Northfield School District 31

Tort Immunity and Judgment Fund

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

For the Year Ended June 30, 2010

With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010		Variance From Final Budget	2009 Actual
	Original and Final Budget	Actual		
Property insurance (building and grounds)				
Purchased services	<u>\$ 39,000</u>	<u>\$ -</u>	<u>\$ 39,000</u>	<u>\$ -</u>
Total	<u>39,000</u>	<u>-</u>	<u>39,000</u>	<u>-</u>
Total support services	<u>103,000</u>	<u>60,658</u>	<u>42,342</u>	<u>-</u>
Total expenditures	<u>103,000</u>	<u>60,658</u>	<u>42,342</u>	<u>-</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>27,635</u>	<u>\$ 27,635</u>	<u>-</u>
Fund balance, beginning of year		<u>-</u>		<u>-</u>
Fund balance, end of year		<u>\$ 27,635</u>		<u>\$ -</u>

(Concluded)

West Northfield School District 31

Transportation Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT) - BUDGET AND ACTUAL

For the Year Ended June 30, 2010

With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010		Variance From Final Budget	2009 Actual
	Original and Final Budget	Actual		
Revenue				
Local sources				
General levy	\$ 100,000	\$ 98,569	\$ (1,431)	\$ 103,146
Corporate personal property replacement taxes	15,000	65,000	50,000	15,000
Regular transportation fees from pupils or parents	145,000	142,069	(2,931)	146,660
Interest on investments	<u>900</u>	<u>379</u>	<u>(521)</u>	<u>1,378</u>
Total local sources	<u>260,900</u>	<u>306,017</u>	<u>45,117</u>	<u>266,184</u>
State sources				
Transportation - Special Education	<u>86,800</u>	<u>86,822</u>	<u>22</u>	<u>88,311</u>
Total state sources	<u>86,800</u>	<u>86,822</u>	<u>22</u>	<u>88,311</u>
Total revenue	<u>347,700</u>	<u>392,839</u>	<u>45,139</u>	<u>354,495</u>
Expenditures				
Support services				
Business				
Pupil transportation services				
Purchased services	<u>326,500</u>	<u>345,330</u>	<u>(18,830)</u>	<u>403,406</u>
Total	<u>326,500</u>	<u>345,330</u>	<u>(18,830)</u>	<u>403,406</u>
Total support services	<u>326,500</u>	<u>345,330</u>	<u>(18,830)</u>	<u>403,406</u>
Total expenditures	<u>326,500</u>	<u>345,330</u>	<u>(18,830)</u>	<u>403,406</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 21,200</u>	47,509	<u>\$ 26,309</u>	(48,911)
Fund deficit, beginning of year		<u>(60,730)</u>		<u>(11,819)</u>
Fund deficit, end of year		<u>\$ (13,221)</u>		<u>\$ (60,730)</u>

West Northfield School District 31
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2010
With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010		Variance From Final Budget	2009 Actual
	Original and Final Budget	Actual		
Revenue				
Local sources				
General levy	\$ 142,000	\$ 157,406	\$ 15,406	\$ 143,712
Social security/medicare only levy	142,000	157,404	15,404	143,583
Corporate personal property				
Replacement taxes	9,000	9,000	-	9,000
Interest on investments	300	194	(106)	394
Other	-	-	-	3
	<u>293,300</u>	<u>324,004</u>	<u>30,704</u>	<u>296,692</u>
Total local sources				
	<u>293,300</u>	<u>324,004</u>	<u>30,704</u>	<u>296,692</u>
Expenditures				
Instruction				
Regular programs	91,615	78,532	13,083	80,807
Special education programs	36,225	29,717	6,508	22,802
Remedial & supplemental programs K-12	840	2,574	(1,734)	-
Interscholastic programs	1,350	5,472	(4,122)	1,719
Summer school programs	500	590	(90)	636
Gifted programs	640	-	640	-
Bilingual programs	5,400	3,264	2,136	6,022
	<u>136,570</u>	<u>120,149</u>	<u>16,421</u>	<u>111,986</u>
Total instruction				

(Continued)

West Northfield School District 31
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2010
With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010		Variance From Final Budget	2009 Actual
	Original and Final Budget	Actual		
Support services				
Pupils				
Attendance and social work services	\$ 6,935	\$ 7,727	\$ (792)	\$ 6,946
Guidance services	-	192	(192)	-
Health services	13,350	9,775	3,575	9,465
Psychological services	3,520	1,244	2,276	50
Speech pathology and audiology services	2,810	2,543	267	2,519
Other support services -pupils	<u>5,200</u>	<u>4,002</u>	<u>1,198</u>	<u>5,485</u>
Total pupils	<u>31,815</u>	<u>25,483</u>	<u>6,332</u>	<u>24,465</u>
Instructional staff				
Improvement of instruction services	780	972	(192)	4,186
Educational media services	<u>4,920</u>	<u>4,894</u>	<u>26</u>	<u>4,464</u>
Total instructional staff	<u>5,700</u>	<u>5,866</u>	<u>(166)</u>	<u>8,650</u>
General administration				
Board of education services	455	445	10	259
Executive administration services	13,080	13,666	(586)	12,116
Special area administrative services	<u>-</u>	<u>4,457</u>	<u>(4,457)</u>	<u>-</u>
Total general administration	<u>13,535</u>	<u>18,568</u>	<u>(5,033)</u>	<u>12,375</u>
School administration				
Office of the principal services	<u>25,435</u>	<u>22,331</u>	<u>3,104</u>	<u>18,543</u>
Total school administration	<u>25,435</u>	<u>22,331</u>	<u>3,104</u>	<u>18,543</u>

(Continued)

West Northfield School District 31
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2010
With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010		Variance From Final Budget	2009 Actual
	Original and Final Budget	Actual		
Business				
Direction of business support services	\$ 10,800	\$ 10,313	\$ 487	\$ 28,922
Fiscal services	8,630	7,699	931	3,269
Operation and maintenance of plant services	63,740	63,848	(108)	54,729
Food services	<u>5,520</u>	<u>-</u>	<u>5,520</u>	<u>4,333</u>
Total business	<u>88,690</u>	<u>81,860</u>	<u>6,830</u>	<u>91,253</u>
Central				
Direction of central support services	-	-	-	105
Information services	12,140	9,370	2,770	8,278
Staff services	335	218	117	364
Data processing services	<u>-</u>	<u>6,846</u>	<u>(6,846)</u>	<u>-</u>
Total central	<u>12,475</u>	<u>16,434</u>	<u>(3,959)</u>	<u>8,747</u>
Total support services	<u>177,650</u>	<u>170,542</u>	<u>7,108</u>	<u>164,033</u>
Provision for contingencies	<u>25,000</u>	<u>-</u>	<u>25,000</u>	<u>-</u>
Total expenditures	<u>339,220</u>	<u>290,691</u>	<u>48,529</u>	<u>276,019</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (45,920)</u>	33,313	<u>\$ 79,233</u>	20,673
Fund balance, beginning of year		<u>83,973</u>		<u>63,300</u>
Fund balance, end of year		<u>\$ 117,286</u>		<u>\$ 83,973</u>

(Concluded)

West Northfield School District 31

Working Cash Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2010

With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010			2009 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Revenue				
Local sources				
Interest on investments	\$ 60,000	\$ 8,833	\$ (51,167)	\$ 57,004
Total local sources	<u>60,000</u>	<u>8,833</u>	<u>(51,167)</u>	<u>57,004</u>
Total revenue	60,000	8,833	(51,167)	57,004
Expenditures				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>\$ 60,000</u>	8,833	<u>\$ (51,167)</u>	57,004
Fund balance, beginning of year		<u>4,985,588</u>		<u>4,928,584</u>
Fund balance, end of year		<u>\$ 4,994,421</u>		<u>\$ 4,985,588</u>

West Northfield School District 31
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2010

1. LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted at the fund level for the governmental funds. The annual budget is legally enacted and provides for a legal level of control at the fund level. The Board of Education follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) 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.
- b) Public hearings are conducted and the proposed budget is available for inspection to obtain comments.
- c) By September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December each year, a tax levy resolution is filed with the County Clerk to obtain tax revenues.
- d) Management is authorized to transfer budget amounts, provided that 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 a fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education after the public hearing process mandated by law.
- e) Formal budgetary integration is employed as a management control device during the year for the governmental funds.
- f) Budgetary control is maintained at line-item levels and built up into programs and/or cost centers before being combined to form totals by fund. All actual activity compared to budget is available to the District's management in real time. These expenditure reports list each item's year-to-date expenditures, budget amount, and account balance.
- g) The budget amounts shown in the financial statements are as originally adopted by the Board of Education on September 24, 2009.
- h) All budget appropriations lapse at the end of the fiscal year.

2. EXPENDITURES IN EXCESS OF BUDGETS

The following funds had expenditures in excess of budgets at June 30, 2010:

<u>Fund</u>	<u>Variance</u>
Operations and Maintenance Fund	\$ 10,299
Transportation Fund	18,830

SUPPLEMENTARY FINANCIAL INFORMATION

West Northfield School District 31

Debt Service Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2010

With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010		Variance From Final Budget	2009 Actual
	Original and Final Budget	Actual		
Revenue				
Local sources				
General levy	\$ 1,445,000	\$ 1,533,294	\$ 88,294	\$ 1,461,399
Interest on investments	<u>1,500</u>	<u>923</u>	<u>(577)</u>	<u>1,660</u>
Total local sources	<u>1,446,500</u>	<u>1,534,217</u>	<u>87,717</u>	<u>1,463,059</u>
Total revenue	<u>1,446,500</u>	<u>1,534,217</u>	<u>87,717</u>	<u>1,463,059</u>
Expenditures				
Debt service				
Debt services - interest				
Bonds - interest	<u>82,500</u>	<u>82,500</u>	<u>-</u>	<u>134,500</u>
Total debt service - interest	<u>82,500</u>	<u>82,500</u>	<u>-</u>	<u>134,500</u>
Principal payments on long-term debt	<u>1,325,000</u>	<u>1,325,000</u>	<u>-</u>	<u>1,275,000</u>
Other debt service				
Purchased services	1,000	-	1,000	-
Other objects	<u>-</u>	<u>-</u>	<u>-</u>	<u>300</u>
Total	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>300</u>
Total debt service	<u>1,408,500</u>	<u>1,407,500</u>	<u>1,000</u>	<u>1,409,800</u>
Total expenditures	<u>1,408,500</u>	<u>1,407,500</u>	<u>1,000</u>	<u>1,409,800</u>
Excess of revenues over expenditures	<u>38,000</u>	<u>126,717</u>	<u>88,717</u>	<u>53,259</u>

(Continued)

West Northfield School District 31

Debt Service Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2010

With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010		Variance From Final Budget	2009 Actual
	Original and Final Budget	Actual		
Other financing sources (uses)				
Other sources not classified elsewhere	\$ -	\$ 800,000	\$ -	\$ -
Other uses	-	(800,000)	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	<u>\$ 38,000</u>	<u>126,717</u>	<u>\$ 88,717</u>	<u>53,259</u>
Fund balance, beginning of year		<u>236,674</u>		<u>183,415</u>
Fund balance, end of year		<u>\$ 363,391</u>		<u>\$ 236,674</u>

(Concluded)

West Northfield School District 31
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND - STUDENT ACTIVITY FUNDS
Year Ended June 30, 2010

	Balance <u>June 30, 2009</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2010</u>
Assets				
Cash and cash equivalents	\$ 17,445	\$ 28,367	\$ 25,204	\$ 20,608
Liabilities				
Due to student groups				
Winkleman				
Misc.	\$ 1,530	\$ -	\$ 1,648	\$ (118)
Student Council	3,292	627	1,931	1,988
Pictures	19	7,018	4,893	2,144
Other	-	3,441	2,645	796
Grant	170	-	-	170
Interest	-	11	-	11
Yearbook	-	11	11	-
Total Winkleman	<u>5,011</u>	<u>11,108</u>	<u>11,128</u>	<u>4,991</u>
Field School				
Miscellaneous	-	5,127	1,916	3,211
Pictures	1,746	618	-	2,364
WCWIO	21	66	-	87
6th Grade	493	-	-	493
7th Grade	216	-	-	216
Students Council	821	2,445	2,309	957
Computer Fair	176	-	-	176
Yearbook	257	-	257	-
Play	1,092	3,253	2,042	2,303
Cheer Fund	771	290	75	986
School Bust Ptr	458	-	-	458
Misc.	4,292	5,418	7,477	2,233
Interest	-	42	-	42
Senior Grant	1,000	-	-	1,000
Gardent Grant	1,091	-	-	1,091
Total Field School	<u>12,434</u>	<u>17,259</u>	<u>14,076</u>	<u>15,617</u>
Total Due to Student Groups	<u>\$ 17,445</u>	<u>\$ 28,367</u>	<u>\$ 25,204</u>	<u>\$ 20,608</u>

OTHER SUPPLEMENTAL INFORMATION

West Northfield School District 31
PROPERTY TAX RATES - LEVIES AND COLLECTIONS
LAST FIVE TAX LEVY YEARS

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Assessed Valuation	\$ <u>814,495,058</u>	\$ <u>861,796,070</u>	\$ <u>826,910,188</u>	\$ <u>698,659,185</u>	\$ <u>707,322,574</u>
Rates Extended					
Educational	1.0786	1.0181	1.0129	1.1895	1.1169
Operations and Maintenance	0.1762	0.1616	0.1611	0.1606	0.1555
Bond and Interest	0.1877	0.1747	0.1822	0.2143	0.2109
Transportation	0.0145	0.0131	0.0121	0.0144	0.0141
Municipal Retirement	0.0183	0.0170	0.0181	0.0215	0.0212
Social Security	<u>0.0183</u>	<u>0.0170</u>	<u>0.0181</u>	<u>0.0230</u>	<u>0.0226</u>
Total rates extended	<u>1.4936</u>	<u>1.4015</u>	<u>1.4045</u>	<u>1.6233</u>	<u>1.5412</u>
Levies Extended					
Educational	\$ 8,784,881	\$ 8,773,696	\$ 8,378,755	\$ 8,286,446	\$ 7,900,132
Operations and Maintenance	1,434,790	1,392,560	1,332,627	1,118,792	1,100,000
Bond and Interest	1,528,800	1,505,700	1,507,167	1,492,884	1,491,985
Transportation	118,450	113,300	100,092	100,315	100,000
Municipal Retirement	149,350	146,260	149,724	149,776	150,000
Social Security	<u>149,350</u>	<u>146,260</u>	<u>149,724</u>	<u>160,226</u>	<u>160,000</u>
Total levies extended	<u>\$ 12,165,621</u>	<u>\$ 12,077,776</u>	<u>\$ 11,618,089</u>	<u>\$ 11,308,439</u>	<u>\$ 10,902,117</u>
Total Collections	<u>\$ 6,084,903</u>	<u>\$ 11,933,160</u>	<u>\$ 11,629,238</u>	<u>\$ 11,248,869</u>	<u>\$ 10,874,352</u>
Percentage of extensions collected	<u>50.02%</u>	<u>98.80%</u>	<u>100.10%</u>	<u>99.47%</u>	<u>99.75%</u>

Note: Tax rates are expressed in dollars per \$100 of assessed valuation.

West Northfield School District 31
OPERATING COSTS AND TUITION CHARGE
JUNE 30, 2010 AND 2009

	2010	2009
Operating costs per pupil		
Average Daily Attendance (ADA):	819	778
Operating costs:		
Educational	\$ 10,928,558	\$ 9,627,303
Operations and Maintenance	1,302,749	1,338,745
Debt Service	1,407,500	1,409,800
Transportation	345,330	403,406
Municipal Retirement/Social Security	290,691	276,019
Tort	60,658	-
Subtotal	14,335,486	13,055,273
Less Revenues/Expenditures of Nonregular Programs:		
Tuition	146,759	-
Debt service - payments of principal on long-term debt	1,325,000	1,275,000
Summer school	23,150	31,476
Community Services	12,050	-
Capital outlay	246,529	116,332
Payments to other Districts and Gov't Units	1,262,932	804,375
Subtotal	3,016,420	2,227,183
Operating costs	\$ 11,319,066	\$ 10,828,090
Operating costs per pupil - based on ADA	\$ 13,821	\$ 13,917
Tuition Charge		
Operating costs	\$ 11,319,066	\$ 10,828,090
Less - revenues from specific programs, such as special education or lunch programs	1,627,478	982,417
Net operating costs	9,691,588	9,845,673
Depreciation allowance	484,960	473,432
Allowance tuition costs	\$ 10,176,548	\$ 10,319,105
Tuition charge per pupil - based on ADA	\$ 12,426	\$ 13,263