

**CONSOLIDATED HIGH SCHOOL DISTRICT 230
ORLAND PARK, ILLINOIS**

ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2008

**Report issued by:
Dr. James Gay
Superintendent of Schools**

**CONSOLIDATED HIGH SCHOOL DISTRICT 230
ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2008**

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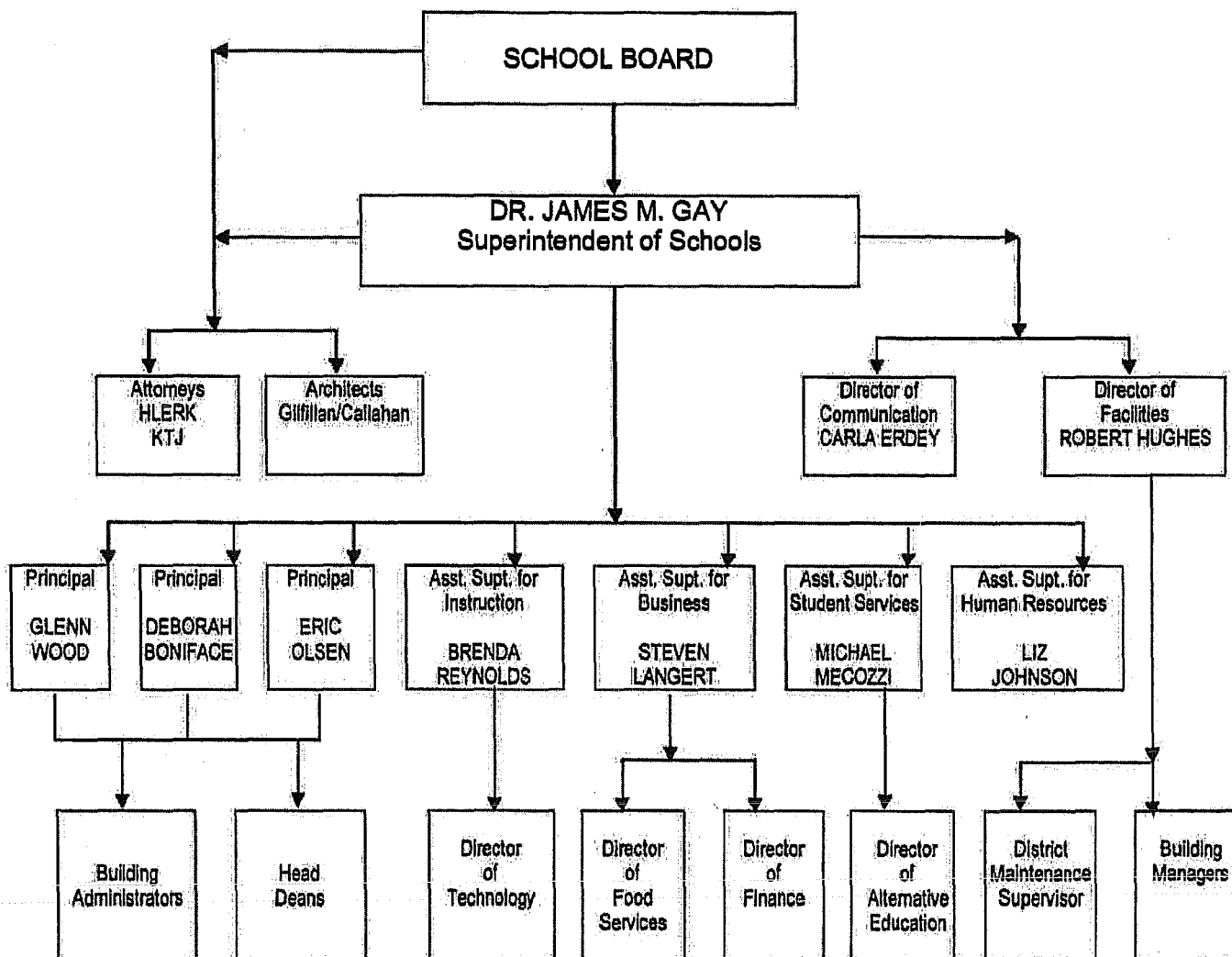
INTRODUCTORY SECTION

**CONSOLIDATED HIGH SCHOOL DISTRICT 230
NAMES AND TITLES OF
BOARD OF EDUCATION MEMBERS AND OFFICERS
JUNE 30, 2008**

Dennis Cook	President
Francis Grabowski	Vice President
Kathleen Quilty	Secretary
Madoline Flanagan	Member
Kathleen Murphy-Peterson	Member
Patrick O'Sullivan	Member
Gloria Yakes	Member
Dr. James Gay	Superintendent
Steven Langert	Assistant Superintendent for Business Services
Liz Johnson	Assistant Superintendent for Human Resources
Brenda Reynolds	Assistant Superintendent for Instruction
Michael Mecozzi	Assistant Superintendent for Student Services
Carla Erdey	Director of Communications
Darrell Walery	Director of Technology
Robert Hughes	Director of Facilities
Mary Morgan	Director of Food Services
Donna Cockrell	Director of Finance

General School AdministrationOrganizational Chart

CONSOLIDATED HIGH SCHOOL DISTRICT 230



DATED: April 2005
REVISED: November 2006; July 2007

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FINANCIAL SECTION

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Superintendent of Schools and Board of Education
Consolidated High School District 230
Orland Park, Illinois

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the fiduciary fund of Consolidated High School District 230, as of and for the year ended June 30, 2008, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Consolidated High School District 230's management. Our responsibility is to express opinions on these financial statements and schedules based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards 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.

As discussed in Note I, Consolidated High School District 230 prepares its financial statements on the cash basis, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position - cash basis of the governmental activities, each major fund, the aggregate remaining fund information, and the fiduciary fund of Consolidated High School District 230 as of June 30, 2008, and the respective changes in financial position - cash basis, thereof for the year then ended in conformity with the basis of accounting described in Note I.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 9, 2008, on our consideration of Consolidated High School District 230's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 important for assessing the results of our audit.

The management's discussion and analysis and required supplementary information listed on pages vii through xii and 32 through 34, are not a required part of the basic financial statements but are supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Consolidated High School District 230's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, supplementary information, and other information section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of Consolidated High School District 230. The combining and individual fund financial statements and schedules, supplementary information, and schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and other information sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Mulcahy, Paurtsch, Salvador & Co., Ltd.

October 9, 2008
Orland Park, Illinois



Superintendent of Schools and Board of Education
Consolidated High School District 230
Orland Park, Illinois

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

We have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the fiduciary fund of Consolidated High School District 230, as of and for the year ended June 30, 2008, which collectively comprise Consolidated High School District 230's basic financial statements and have issued our report thereon dated October 9, 2008. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Consolidated High School District 230's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Consolidated High School District 230's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Consolidated High School District 230's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Consolidated High School District 230's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of Consolidated High School District 230's financial statements that is more than inconsequential will not be prevented or detected by Consolidated High School District 230's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Consolidated High School District 230's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Consolidated High School District 230's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Education, management, others within the District, the Illinois State Board of Education, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mulcahy, Pauritsch, Salvador & Co., Ltd.

October 9, 2008
Orland Park, Illinois

MANAGEMENT'S DISCUSSION AND ANALYSIS

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CONSOLIDATED HIGH SCHOOL DISTRICT 230

MANAGEMENT'S DISCUSSION AND ANALYSIS as of and for the fiscal year ended June 30, 2008

As management of the Consolidated High School District 230 (the District), we offer readers of the District's Annual Financial Report this narrative and analysis of the financial activities of the District for the fiscal year ended June 30, 2008.

Financial Highlights

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$89,535,216 (net assets).
- The total net assets of the District increased by \$9,119,648 during fiscal year 2008 from \$80,335,568 in fiscal year 2007. The increase came from both revenues exceeding expenditures by \$6,950,146 and the repayment of both short-term and long-term debt exceeding net depreciation in excess of capital outlay by \$2,249,502.
- The combined restricted and unrestricted net assets increased \$8,950,146 to \$54,685,865 from \$45,735,719.
- Fund balance of the District's governmental funds increased by \$6,950,146 resulting in an ending fund balance of \$56,685,865.
- During the current fiscal year, the fund balance in the District's General Fund increased by \$4,933,893 through the combination of revenues exceeding expenditures by \$4,133,893 and other sources of funds totaling \$800,000.
- The District's long-term obligations decreased by \$3,581,190 to \$94,491,021 from \$98,072,211.

Overview of the Financial Statements

Management's discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements presented on pages 1-31 are comprised of three components: 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to financial statements. This report also contains combining and individual fund financial statements and schedules and other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader of the District's Annual Financial Report a broad overview of the financial activities in a manner similar to a private sector business. The government-wide financial statements include the statement of net assets arising from cash transactions and the statement of activities arising from cash transactions.

The statement of net assets arising from cash transactions presents information about all of the District's assets and liabilities as reported using the cash basis of accounting. The difference between assets and liabilities is reported as net assets. Over time, changes 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 arising from cash transactions presents information showing how the net assets of the District changed during the current fiscal year. Changes in net assets are recorded in the statement of activities using the cash basis of accounting. The cash basis of accounting is described in the notes to the financial statements.

Both of the government-wide financial statements differentiate functions of the District that are supported from taxes and intergovernmental revenues (governmental activities). Governmental activities consolidate governmental funds including general, special revenue, debt service and capital projects funds. The government-wide financial statements can be found on pages 1-2 of this report.

Fund Financial Statements

Fund financial statements are designed to demonstrate compliance with finance-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. Fund financial statements for the District include governmental funds and fiduciary funds.

Governmental fund financial statements account for essentially the same information reported in the governmental activities of the government-wide financial statements. However, unlike the government-wide statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financing requirements in the near term.

Since the governmental funds and the governmental activities statements report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, reconciliation is provided in the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The District maintains eleven different governmental funds and subfunds. The major funds are the General Fund, Transportation Fund, Bond and Interest Fund, and Working Cash Fund. The General Fund compiles six funds and subfunds: Educational, Tort Immunity, Substance Abuse, Special Tax, Operations and Maintenance, and Fire Prevention and Safety. Individual fund information for the nonmajor funds is presented in the combining and individual fund financial statements and schedules section of this report.

The District adopts an annual budget for each of the governmental funds. Budgetary comparison schedules for the General Fund and other major special revenue funds are included in the required supplementary information section of this report to demonstrate compliance with the adopted budget. The remaining governmental funds budgetary comparisons are reported in the combining and individual fund financial statements and schedules section of this report. The basic governmental fund financial statements can be found on pages 3-11 of this report.

Notes to Financial Statements

The notes to financial statements provide additional information that is essential for a full understanding of the data provided in the basic financial statements. The notes can be found on pages 12-31 of this report.

Government-wide Financial Analysis

The assets of the District are classified as cash, investments and capital assets. Cash and investments are current assets. These assets are available to provide resources for the near-term operations of the District. Capital assets are used in the operations of the District. These are land, improvements, buildings, and equipment. Capital assets are discussed in greater detail in the section entitled, Capital Assets and Debt Administration, elsewhere in this analysis.

Current and long-term liabilities are classified based on anticipated retirement in the near-term or in the future. Current liabilities include short-term debt obligations to be retired in the 2008-2009 fiscal year. Long-term liabilities such as long-term debt obligations will be retired from resources that will become available after fiscal year 2009.

The assets of the District's activities exceed liabilities by \$89,535,216 with a net investment of \$34,849,351 in land, improvements, buildings, and equipment to provide the services to the District's public school students, which represents 39 percent of the District's net assets. Net assets of \$5,047,827, accumulated due to bonded debt property tax levy assessments, have been restricted to provide resources to retire the current general obligation bond principal and related interest payments. Net assets of \$18,475,068 accumulated for working cash purposes are restricted for short-term loans or permanent transfers to other governmental funds.

Net Assets for Governmental Activities

	June 30, 2008	June 30, 2007	% Change
Assets:			
Current assets	\$ 57,461,416	\$ 50,150,327	14.58%
Capital assets	126,983,174	128,672,060	-1.31%
Total assets	184,444,590	178,822,387	3.14%
Liabilities:			
Current liabilities	418,353	414,608	0.90%
Noncurrent liabilities	94,491,021	98,072,211	-3.65%
Total liabilities	94,909,374	98,486,819	-3.63%
Net assets:			
Invested in capital assets, net of related debt	34,849,351	34,599,849	0.72%
Restricted	29,181,008	26,444,951	10.35%
Unrestricted	25,504,857	19,290,768	32.21%
Total net assets	\$ 89,535,216	\$ 80,335,568	11.45%

Government-wide Activities

Governmental activities increased the net assets of the District by \$9,119,648 thereby accounting for all of the total increase in the net assets of the District.

Change in Net Assets
Governmental Activities

Revenues:	June 30, 2008	June 30, 2007	% Change
Program revenues			
Charges for services	\$ 5,764,346	\$ 5,778,926	-0.25%
Operating grants and contributions	14,780,520	14,374,438	2.83%
General revenues			
Property taxes	95,878,475	90,977,268	5.39%
In lieu of taxes	2,158,994	2,046,672	5.49%
General state aid	11,443,950	9,707,595	17.89%
Earnings on investments	2,395,417	2,647,925	-9.54%
Other income	788,281	1,885,695	-58.20%
Total revenues	<u>133,209,983</u>	<u>127,418,519</u>	4.55%
Expenses:			
Governmental activities			
Instructional	72,680,352	68,814,852	5.62%
Pupil support	7,729,660	7,324,917	5.53%
Other support	29,929,011	27,887,475	7.32%
Transportation	7,469,926	6,512,208	14.71%
Administration	1,985,584	2,211,141	-10.20%
Interest expense	4,215,802	4,854,365	-13.15%
Total expenses	<u>124,010,335</u>	<u>117,604,958</u>	5.45%
Increase in net assets	9,199,648	9,813,561	-6.26%
Net assets at beginning of year	<u>80,335,568</u>	<u>70,522,007</u>	13.92%
Net assets at end of year	<u>\$ 89,535,216</u>	<u>\$ 80,335,568</u>	11.45%

The key element of the increase in net assets has been the District's expenditure controls to match its growth in revenue with both revenue and expenses growing in the 5% range.

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's ability to meet its financial obligations in future years.

As of the end of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$56,685,965, an increase of \$6,950,146 from the prior year.

General Fund and Major Special Revenue Funds Budgetary Highlights

Revenue

1. Excluding "on behalf revenues," actual total revenue in the General Fund equaled 99.5% of the budget.
2. Grants-in-aid revenue was below budget in both the General and Transportation Funds by \$1,069,273 because the State disbursed just three quarterly payments in the fiscal year where we budgeted for the typical four quarterly disbursements.

Expense

1. In general, the District under spent the budget in the combined operating funds by 2.5%. The Transportation Fund, one of the operating funds, exceeded the budget by \$526,611.

Capital Assets and Debt Administration

The District's investment in capital assets for its governmental activities as of June 30, 2008 amounted to \$126,983,174 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings and equipment. The total decrease in the District's investment in capital assets for the current fiscal year was \$1,686,886 from \$128,672,060.

Capital Assets			
Net of accumulated depreciation			
	June 30, 2008	June 30, 2007	% Change
Land	\$ 1,637,802	\$ 1,637,802	0.00%
Land improvements	2,924,493	3,186,795	-8.23%
Construction in Progress	502,593		
Buildings	119,885,754	121,647,143	-1.45%
Equipment	2,032,532	2,200,320	-7.63%
Total capital assets	\$ 126,983,174	\$ 128,672,060	-1.31%

Total long-term debt for the District decreased \$3,581,190 during the current fiscal year due to repayment of both Construction, Working Cash and Life Safety bond principal. At June 30, 2008, the District had total bonded debt outstanding of \$93,491,125 backed by the full faith and credit of the District. Additionally, the District had two other types of long-term debt obligations totaling \$999,896 also backed by the full faith and credit of the District. The District continues to maintain an A+ rating with the Standard and Poor's rating agency. Additional information regarding the District's capital assets and debt can be found in the notes to the financial statements.

Economic Factors and Next Year's Budget

Over the past six years, the District has substantially improved its financial condition. When the State created a new financial profile to monitor the financial health of the public schools six years ago, District 230 was given the lowest rating termed "Financial Watch." The District had been deficit spending causing fund balances to decline greatly.

As this financial report shows, the District improved its fund balances by operating with a surplus (revenues exceeded expenditures). The District has also budgeted for a surplus in fiscal year 2009 due to both projected strong revenue growth and continued focus on controlling expenditures. With this financial turnaround, the District now annually achieves the State's highest financial profile rating - Financial Recognition.

Although the District is financially sound through 2009, there are concerns for the future.

1. The District continues to budget under stringent property tax caps, set at the Consumer Price Index (CPI); whereas, the budget is approximately 80% salary and benefits related that often face increases much greater than the CPI.
2. After years of moderate and steady student enrollment increases, enrollment is projected to level out and then decline slightly. If the projection holds true, there will be a substantial decline in General State Aid revenue, which is based on a per student foundation level.
3. The tuition rates for the private and public placement of special education students is growing 2-3 times the rate of inflation with little additional funding from either the State or Federal government.
4. The District's second major source of revenue comes from the State of Illinois who annually has difficulty finding the resources to adequately fund education. The legislation sessions have extended long into the summer causing delays in funding schools.
5. Property tax revenue comprises 77% of the District's revenue and has steadily increased over the years due to substantial new construction in the District. With the current national financial crisis, future new construction might decline sharply resulting in far less growth in property tax revenue.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Office of the Superintendent
CONSOLIDATED HIGH SCHOOL DISTRICT 230
15100 South 94th Avenue
Orland Park, IL 60462

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

CONSOLIDATED HIGH SCHOOL DISTRICT 230
STATEMENT OF NET ASSETS
ARISING FROM CASH TRANSACTIONS -
GOVERNMENTAL ACTIVITIES
JUNE 30, 2008

ASSETS

Equity in pooled cash and investments	\$ 57,104,218
Deferred charges	357,198
Capital assets not being depreciated:	
Land	1,637,802
Construction in progress	502,593
Capital assets net of accumulated depreciation:	
Land improvements	2,924,493
Buildings	119,885,754
Equipment	<u>2,032,532</u>
Total assets	<u>184,444,590</u>

LIABILITIES

Payroll withholdings payable	418,353
Noncurrent liabilities:	
Due within one year	7,934,894
Due in more than one year	<u>86,556,127</u>
Total liabilities	<u>94,909,374</u>

NET ASSETS

Invested in capital assets, net of related debt	34,849,351
Restricted for:	
Tax amnesty	1,014,416
Debt service	5,047,827
Fire prevention and safety	768,298
Working cash	18,475,068
Capital projects	3,875,399
Unrestricted	<u>25,504,857</u>
Total net assets	<u>\$ 89,535,216</u>

See notes to basic financial statements.

CONSOLIDATED HIGH SCHOOL DISTRICT 230
STATEMENT OF ACTIVITIES
ARISING FROM CASH TRANSACTIONS
YEAR ENDED JUNE 30, 2008

	<u>Program Revenues</u>			<u>Net (Expense)</u>
	<u>Expenses</u>	<u>Charges for</u>	<u>Operating</u>	<u>Revenue and</u>
		<u>Services</u>	<u>Grants and</u>	<u>Changes in</u>
			<u>Contributions</u>	<u>Net Assets</u>
Functions/programs:				
Governmental activities:				
Instructional	\$ 72,680,352	\$ 2,489,256	\$ 11,606,845	\$ (58,584,251)
Pupil support	7,729,660	-	-	(7,729,660)
Other support	29,929,011	3,255,277	395,132	(26,278,602)
Transportation	7,469,926	19,813	2,778,543	(4,671,570)
Administration	1,985,584	-	-	(1,985,584)
Interest expense	4,215,802	-	-	(4,215,802)
Total governmental activities	<u>\$ 124,010,335</u>	<u>\$ 5,764,346</u>	<u>\$ 14,780,520</u>	<u>(103,465,469)</u>
General revenues:				
Taxes:				
Property				95,878,475
Personal property replacement				1,307,970
Payments in lieu of taxes				851,024
General state aid				11,443,950
Earnings on investments				2,395,417
Other income				788,281
Total general revenues				<u>112,665,117</u>
Change in net assets				9,199,648
Net assets at beginning of year				<u>80,335,568</u>
Net assets at end of year				<u>\$ 89,535,216</u>

See notes to basic financial statements.

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FUND FINANCIAL STATEMENTS

CONSOLIDATED HIGH SCHOOL DISTRICT 230
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES
ARISING FROM CASH TRANSACTIONS - GOVERNMENTAL FUNDS
JUNE 30, 2008

		<u>Special Revenue</u>	
	<u>General</u>	<u>Transportation</u>	<u>Working Cash</u>
ASSETS			
Equity in pooled cash and investments	<u>\$ 24,995,252</u>	<u>\$ 2,870.083</u>	<u>\$ 18,475,068</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Payroll withholdings payable	<u>\$ 418,353</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:			
Reserved for:			
Tax amnesty	1,014,416	-	-
Debt service	-	-	-
Fire prevention and safety	768,298	-	-
Working cash	-	-	18,475,068
Capital projects	-	-	-
Unreserved, reported in:			
General Fund	22,794,185	-	-
Special revenue funds	<u>-</u>	<u>2,870.083</u>	<u>-</u>
Total fund balances	<u>24,576,899</u>	<u>2,870.083</u>	<u>18,475,068</u>
Total liabilities and fund balances	<u>\$ 24,995,252</u>	<u>\$ 2,870.083</u>	<u>\$ 18,475,068</u>

See notes to basic financial statements.

<u>Debt Service Bond and Interest</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>\$ 5,047,827</u>	<u>\$ 5,715,988</u>	<u>\$ 57,104,218</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 418,353</u>
-	-	1,014,416
5,047,827	-	5,047,827
-	-	768,298
-	-	18,475,068
-	3,875,399	3,875,399
-	-	22,794,185
<u>-</u>	<u>1,840,589</u>	<u>4,710,672</u>
<u>5,047,827</u>	<u>5,715,988</u>	<u>56,685,865</u>
<u>\$ 5,047,827</u>	<u>\$ 5,715,988</u>	<u>\$ 57,104,218</u>

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CONSOLIDATED HIGH SCHOOL DISTRICT 230
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF ASSETS,
LIABILITIES AND FUND BALANCES ARISING FROM CASH TRANSACTIONS TO THE
STATEMENT OF NET ASSETS ARISING FROM CASH TRANSACTIONS
JUNE 30, 2008

Total fund balances - governmental funds	\$ 56,685,865
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Amounts reported for governmental activities in the statement of net assets arising from cash transactions are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.	126,983,174
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Long-term liabilities, including bonds payable, are not due and payable in the current year and, therefore, are not reported as liabilities in the funds. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Long-term liabilities and related accounts at year-end consisted of the following:

Bonds payable	\$ (92,350,000)	
General obligation debt certificates	(945,000)	
Note payable	(54,896)	
Unamortized premium	(2,496,829)	
Unamortized deferred amount on refunding	1,355,704	
Unamortized deferred charges	<u>357,198</u>	
Total		<u>(94,133,823)</u>

Total net assets - governmental activities	\$ <u>89,535,216</u>
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See notes to basic financial statements.

CONSOLIDATED HIGH SCHOOL DISTRICT 230
STATEMENT OF REVENUES RECEIVED, EXPENDITURES PAID AND CHANGES IN FUND
BALANCES ARISING FROM CASH TRANSACTIONS - GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2008

	<u>General</u>	<u>Special Revenue</u>	<u>Working</u>	<u>Debt</u>
		<u>Transportation</u>	<u>Cash</u>	<u>Service</u>
				<u>Bond and</u>
				<u>Interest</u>
Revenues:				
Local sources:				
Property taxes	\$ 77,401,207	\$ 3,819,549	\$ 980,185	\$ 11,967,607
Personal property replacement taxes	1,035,970	-	-	-
Payments in lieu of taxes	-	-	-	-
Investment income	1,760,335	67,122	362,372	106,131
Pupil activities	525,106	-	-	-
Food service	3,255,277	-	-	-
Textbooks	1,746,070	-	-	-
Other	<u>991,562</u>	<u>36,236</u>	<u>-</u>	<u>-</u>
Total local sources	<u>86,715,527</u>	<u>3,922,907</u>	<u>1,342,557</u>	<u>12,073,738</u>
State sources:				
General state aid	11,443,950	-	-	-
Grants-in-aid	<u>2,981,964</u>	<u>2,778,543</u>	<u>-</u>	<u>-</u>
Total state sources	<u>14,425,914</u>	<u>2,778,543</u>	<u>-</u>	<u>-</u>
Federal sources:				
Grants-in-aid	<u>1,898,963</u>	<u>-</u>	<u>-</u>	<u>-</u>
On behalf revenues	<u>7,121,050</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>110,161,454</u>	<u>6,701,450</u>	<u>1,342,557</u>	<u>12,073,738</u>
Expenditures:				
Current:				
Instruction	58,394,844	-	-	-
Support services	36,609,074	7,497,935	-	-
Community services	558,458	-	-	-
Nonprogrammed charges	3,028,957	-	-	-
On behalf expenditures	7,121,050	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	267,315	-	-	6,905,000
Interest	47,863	-	-	4,251,808
Bond issuance costs and fees	<u>-</u>	<u>-</u>	<u>-</u>	<u>387,497</u>
Total expenditures	<u>106,027,561</u>	<u>7,497,935</u>	<u>-</u>	<u>11,544,305</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,133,893</u>	<u>(796,485)</u>	<u>1,342,557</u>	<u>529,433</u>

See notes to basic financial statements.

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
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\$ 1,709,927	\$ 95,878,475
272,000	1,307,970
851,024	851,024
99,457	2,395,417
-	525,106
-	3,255,277
-	1,746,070
-	<u>1,027,798</u>

<u>2,932,408</u>	<u>106,987,137</u>
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-	11,443,950
-	<u>5,760,507</u>

-	<u>17,204,457</u>
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-	<u>1,898,963</u>
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-	<u>7,121,050</u>
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<u>2,932,408</u>	<u>133,211,607</u>
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839,753	59,234,597
1,058,222	45,165,231
35,031	593,489
-	3,028,957
-	7,121,050
2,963,947	2,963,947
-	7,172,315
-	4,299,671
-	<u>387,497</u>

<u>4,896,953</u>	<u>129,966,754</u>
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<u>(1,964,545)</u>	<u>3,244,853</u>
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CONSOLIDATED HIGH SCHOOL DISTRICT 230
STATEMENT OF REVENUES RECEIVED, EXPENDITURES PAID AND CHANGES IN FUND
BALANCES ARISING FROM CASH TRANSACTIONS - GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2008

	<u>General</u>	<u>Special Revenue</u> <u>Transportation</u>	<u>Working</u> <u>Cash</u>	<u>Debt</u> <u>Service</u> <u>Bond and</u> <u>Interest</u>
Other financing sources (uses):				
Bond issuance	-	-	-	70,935,000
Payments made to escrow agent	-	-	-	(73,220,365)
Premium on bonds	-	-	-	2,673,499
Transfers in	800,000	-	-	-
Transfers out	-	-	(150,000)	(650,000)
Total other financing sources (uses)	<u>800,000</u>	<u>-</u>	<u>(150,000)</u>	<u>(261,866)</u>
Net change in fund balances	4,933,893	(796,485)	1,192,557	267,567
Fund balances at beginning of year	<u>19,643,006</u>	<u>3,666,568</u>	<u>17,282,511</u>	<u>4,780,260</u>
Fund balances at end of year	<u>\$ 24,576,899</u>	<u>\$ 2,870,083</u>	<u>\$ 18,475,068</u>	<u>\$ 5,047,827</u>

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
3,275,000	74,210,000
-	(73,220,365)
42,159	2,715,658
-	800,000
<u>-</u>	<u>(800,000)</u>
<u>3,317,159</u>	<u>3,705,293</u>
1,352,614	6,950,146
<u>4,363,374</u>	<u>49,735,719</u>
<u>\$ 5,715,988</u>	<u>\$ 56,685,865</u>

**CONSOLIDATED HIGH SCHOOL DISTRICT 230
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT
OF REVENUES RECEIVED, EXPENDITURES PAID AND CHANGES IN FUND
BALANCES ARISING FROM CASH TRANSACTIONS TO THE STATEMENT OF
ACTIVITIES ARISING FROM CASH TRANSACTIONS
YEAR ENDED JUNE 30, 2008**

Total net change in fund balances - governmental funds \$ 6,950,146

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities arising from cash transactions the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$3,746,562) exceeded capital outlays (\$2,057,676) in the current period. (1,688,886)

The issuance of long-term debt (e.g., bonds, notes payable) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt uses the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities arising from cash transactions. The effects of these differences in the treatment of long-term debt and related items are as follows:

Bond issuance	(74,210,000)	
Premium on bonds	(2,715,658)	
Payments made to escrow agent	73,220,365	
Principal payments made on long-term debt	7,172,315	
Bond issuance costs incurred	387,497	
Amortization of bond premium	218,829	
Amortization of deferred loss on refunding	(104,661)	
Amortization of bond issuance costs	<u>(30,299)</u>	
 Total		 <u>3,938,388</u>

Change in net assets of governmental activities \$ 9,199,648

See notes to basic financial statements.

**CONSOLIDATED HIGH SCHOOL DISTRICT 230
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES ARISING
FROM CASH TRANSACTIONS - STUDENT ACTIVITY AGENCY FUND
JUNE 30, 2008**

ASSETS

Cash	<u>\$ 914,336</u>
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LIABILITIES

Due to student activity fund organizations	<u>\$ 914,336</u>
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See notes to basic financial statements.

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NOTES TO BASIC FINANCIAL STATEMENTS

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CONSOLIDATED HIGH SCHOOL DISTRICT 230
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Consolidated High School District No. 230 was created on May 5, 1952. The District is governed by the Board of Education and provides secondary education, transportation, cafeteria, building maintenance and general administrative services.

As required by U.S. generally accepted accounting principles, these financial statements include the District and its component units, entities for which the District is considered to be financially accountable. At June 30, 2008, no entities were considered component units of the District.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets arising from cash transactions and the statement of activities arising from cash transactions) report information on all of the nonfiduciary activities of the District. *Governmental activities* are those that are primarily supported by taxes and intergovernmental revenues.

The statement of activities arising from cash transactions demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to students who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead 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. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the cash basis of accounting, as are the fiduciary fund financial statements. Under that basis, certain revenues and the related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred. That basis differs from U.S. generally accepted accounting principles primarily because the District has not recognized receivables from revenues such as property taxes, entitlements and investment income, and payables to personnel and vendors and their related effects on operations of the District in the accompanying financial statements.

Governmental fund financial statements are reported using the cash basis of accounting under guidelines prescribed by the Illinois State Board of Education. Accordingly, revenue is recognized and recorded when cash is received. In the same manner expenditures are recognized and recorded upon the disbursement of cash. Assets of a fund are only recorded when a right to receive cash exists arising from a previous cash transaction. In a similar manner, liabilities are recorded from previous cash transactions.

**CONSOLIDATED HIGH SCHOOL DISTRICT 230
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008**

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It is comprised of six subfunds divided into two separate categories - educational funds and operations and maintenance funds. The educational funds include the Educational, Tort Immunity, Substance Abuse and Special Tax funds. The operations and maintenance funds include the Building and Fire Prevention and Safety funds. These funds account for activities that are not specifically accounted for in another fund.

The Transportation Fund accounts for the transportation of pupils.

The Working Cash Fund accounts for resources held by the District to be used for temporary interfund loans to the Educational Fund, the Operations and Maintenance Fund and the Transportation Fund.

The Bond and Interest Fund accounts for the accumulation of resources for and the payment of long-term debt principal, interest and related costs.

Additionally, the District reports the following fiduciary fund type:

The Student Activity Fund (an agency fund) accounts for assets held by the District as an agent for the students and teachers. The fund is custodial in nature and does not involve the measurement of results of operations. The amounts due to the activity fund organizations are equal to the assets.

As general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include 1) charges to students for goods or services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

D. Assets, Liabilities and Net Assets or Equity

1. Deposits and Investments

The Illinois statutes authorize the District to invest in U.S. Government, State of Illinois and municipal securities; certificates of deposit or time savings deposits insured by the FDIC; mortgage notes, bonds or debentures issued by the Federal Housing Administration; bonds and other obligations of the Federal National Mortgage Association; and certain short-term obligations of U.S. corporations.

CONSOLIDATED HIGH SCHOOL DISTRICT 230
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008

Cash and investments of the District are pooled into a common pooled account in order to maximize investment opportunities. Each fund whose monies are deposited into the pooled account has equity herein, and interest earned on the investment of these monies is allocated based upon relative equity at month end. An individual fund's equity in the pooled account is available upon demand and is considered to be a cash equivalent when preparing these financial statements. Each fund's portion of the pool is displayed on its respective statement of assets, liabilities and fund balances arising from cash transactions as "equity in pooled cash and investments." In addition, non-pooled cash and investments that are separately held are reflected in the respective funds as "cash" and "investments."

Investments are reported at fair value which is determined using selected bases. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price. Cash deposits are reported at carrying amount which reasonably estimates fair value. The reported value of the Illinois Liquid Asset Funds is the same as the fair value of the Fund's shares.

2. Capital Assets

Capital assets, which include land, buildings and equipment, reported in the government-wide financial statements are defined by the District as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Buildings and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land improvements	20
Buildings	50
Equipment	5-20

3. Long-term Obligations

All long-term debt obligations to be repaid from governmental resources are reported as liabilities in the government-wide statements. Long-term debt includes bonds payable, installment payment contract certificates, general obligation debt certificates, and notes payable.

CONSOLIDATED HIGH SCHOOL DISTRICT 230
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008

In the government-wide financial statements, 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.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payments of principal and interest are reported as expenditures. Bond premiums and discounts, as well as bond issuance costs, are recognized during the current period. 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.

4. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

5. Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses/expenditures. Actual results could differ from those estimates.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The budget is prepared on the cash basis of accounting for all governmental funds which is an acceptable method as prescribed by the Illinois State Board of Education and is the same basis that is used for financial reporting. This allows for comparability between budget and actual amounts.

The budget appropriations lapse at the end of each fiscal year. The District utilizes an encumbrance system. The District follows these procedures in establishing the budgetary data reflected in the financial statements.

1. The administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.

CONSOLIDATED HIGH SCHOOL DISTRICT 230
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008

3. Prior to September 30, the budget is legally adopted through passage of a resolution. Prior to the last Tuesday in December, a tax levy resolution is filed with the County Clerk to obtain tax revenues.
4. The Superintendent is authorized to transfer up to 10% of the total budget between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education.
5. Formal budgetary integration is employed as a management control device during the year.
6. The Board of Education may amend the budget (in other ways) by the same procedures required of its original adoption.

B. Excess of Expenditures over Budget

The following funds had an excess of actual expenditures over the budgeted amount for the year ended June 30, 2008:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Major governmental funds:			
Transportation Fund	\$ 6,971,324	\$ 7,497,935	\$ 526,611
Bond and Interest Fund	\$ 11,336,800	\$ 11,544,305	\$ 207,505
Nonmajor governmental fund:			
Capital Projects Fund	\$ 2,720,000	\$ 2,963,947	\$ 243,947

The overexpenditures in the Transportation Fund and the Bond and Interest Fund were funded by available fund balance. The overexpenditure in the Capital Projects Fund was funded by greater than anticipated revenues and other financing sources.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the District's deposits might not be recovered. The District does not have a deposit policy for custodial credit risk. As of June 30, 2008, \$803,744 of the District's bank balances of \$1,003,744 was exposed to custodial credit risk as follows:

Uninsured and collateralized with securities held by pledging financial institutions	<u>\$ 803,744</u>
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CONSOLIDATED HIGH SCHOOL DISTRICT 230
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008

Investments

As of June 30, 2008, the District had the following investments:

<u>Type of Investments</u>	<u>Fair Value/ Carrying Amount</u>	<u>Average Credit Quality/ Ratings (1)</u>	<u>Weighted Average Days to Maturity (2)</u>
Pooled investments (3):			
Money market funds:			
Illinois School District Liquid Asset Fund - Liquid Class	\$ 11,323,879	AAAm	33
Illinois School District Liquid Asset Fund - Max Class	8,080,100	AAAm	33
The Illinois Funds	7,446	AAAm	22
Certificates of deposit	<u>37,665,466</u>	N/A	116
Total pooled investments	<u>\$ 57,076,891</u>		

(1) Ratings are provided where applicable to indicate associated *Credit Risk*. N/A indicates not applicable.

(2) *Interest Rate Risk* is estimated using weighted average days to maturity.

(3) Pooled cash and investments are reported as *equity in pooled cash and investments*. Investments in the pool are not separately reported in the financial statements as ownership of investments cannot be assigned to individual funds including fiduciary funds. Therefore, total investments will not agree to the financial statements.

Investment Policies

The District's investments are subject to the following risks:

Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

The District does not have an investment policy for the above risks.

CONSOLIDATED HIGH SCHOOL DISTRICT 230
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008

B. Property Taxes

Property taxes are levied as of January 1 on property values assessed on the same date. The tax levy is divided into two billings: The first billing (mailed on or about February 1) is an estimate of the current year's levy based on the prior year's taxes; and the second billing (mailed on or about October 1) reflects adjustments to the current year's actual levy. The billings are considered past due 30 days after the respective tax billing date at which time the applicable property is subject to lien and penalties and interest are assessed. The District receives significant distributions of property taxes in the month following the due date.

C. Capital Assets

Capital asset activity for the year ended June 30, 2008 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 1,637,802	\$ -	\$ -	\$ 1,637,802
Construction in progress	-	502,593	-	502,593
Total capital assets, not being depreciated	<u>1,637,802</u>	<u>502,593</u>	<u>-</u>	<u>2,140,395</u>
Capital assets, being depreciated:				
Land improvements	6,313,905	-	-	6,313,905
Buildings	157,924,951	1,358,012	-	159,282,963
Equipment	<u>4,962,959</u>	<u>197,071</u>	<u>(41,260)</u>	<u>5,118,770</u>
Total capital assets, being depreciated	<u>169,201,815</u>	<u>1,555,083</u>	<u>(41,260)</u>	<u>170,715,638</u>
Less accumulated depreciation for:				
Land improvements	(3,127,110)	(262,302)	-	(3,389,412)
Buildings	(36,277,808)	(3,119,401)	-	(39,397,209)
Equipment	<u>(2,762,639)</u>	<u>(364,859)</u>	<u>41,260</u>	<u>(3,086,238)</u>
Total accumulated depreciation	<u>(42,167,557)</u>	<u>(3,746,562)</u>	<u>41,260</u>	<u>(45,872,859)</u>
Total capital assets, being depreciated, net	<u>127,034,258</u>	<u>(2,191,479)</u>	<u>-</u>	<u>124,842,779</u>
Governmental activities capital assets, net	<u>\$ 128,672,060</u>	<u>\$ (1,688,886)</u>	<u>\$ -</u>	<u>\$ 126,983,174</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008

Depreciation expense was charged to functions/programs as follows:

Governmental activities:

Instructional	\$ 3,344,389
Pupil support	165,797
Other support	189,567
Administration	<u>46,809</u>

Total depreciation expense - governmental activities	<u>\$ 3,746,562</u>
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D. Long-term Debt

Schedules of debt outstanding at June 30, 2008 are as follows:

General Obligation School Building Bonds
Issued December 1, 1998

<u>Year Due</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Due</u>
2009	\$ -	\$ 237,275	\$ 237,275
2010	-	237,275	237,275
2011	-	237,275	237,275
2012	-	237,275	237,275
2013	-	237,275	237,275
2014	-	237,275	237,275
2015	-	237,275	237,275
2016	2,495,000	237,275	2,732,275
2017	<u>2,500,000</u>	<u>125,000</u>	<u>2,625,000</u>
Total	<u>\$ 4,995,000</u>	<u>\$ 2,023,200</u>	<u>\$ 7,018,200</u>

Denomination	\$5,000
Bonds due each year	December 1st
Interest dates	December 1st and June 1st
Interest rates	4.5% to 5.0%
Total issue	\$9,995,000
Paying agent	Bond Trust Services Corporation Roseville, MN

CONSOLIDATED HIGH SCHOOL DISTRICT 230
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008

General Obligation School Building Bonds
Issued February 1, 1999

<u>Year Due</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Due</u>
2009	\$ 5,365,000	\$ 431,906	\$ 5,796,906
2010	<u>5,780,000</u>	<u>158,950</u>	<u>5,938,950</u>
Total	<u>\$ 11,145,000</u>	<u>\$ 590,856</u>	<u>\$ 11,735,856</u>

Denomination \$5,000
Bonds due each year December 1st
Interest dates December 1st and June 1st
Interest rates 3.05% to 5.5%
Total issue \$108,005,000
Paying agent Bond Trust Services Corporation
Roseville, MN

General Obligation Limited School Bonds
Issued September 1, 2003

<u>Year Due</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Due</u>
2009	<u>\$ 2,000,000</u>	<u>\$ 30,000</u>	<u>\$ 2,030,000</u>

Denomination \$5,000
Bonds due each year December 1st
Interest dates December 1st and June 1st
Interest rates 2.0% to 3.0%
Total issue \$10,000,000
Paying agent BNY Midwest Trust Company
Chicago, Illinois

CONSOLIDATED HIGH SCHOOL DISTRICT 230
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008

General Obligation Limited School Bonds
Issued November 28, 2007

<u>Year Due</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Due</u>
2009	\$ 290,000	\$ 125,200	\$ 415,200
2010	2,100,000	77,400	2,177,400
2011	<u>885,000</u>	<u>17,700</u>	<u>902,700</u>
Total	<u>\$ 3,275,000</u>	<u>\$ 220,300</u>	<u>\$ 3,495,300</u>

Denomination 5,000
Bonds due each year December 1st
Interest dates December 1st and June 1st
Interest rate 4.0%
Total issue \$3,275,000
Paying agent Bond Trust Services Corporation
Roseville, MN

General Obligation Limited School Bonds
Issued December 5, 2007

<u>Year Due</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Due</u>
2009	\$ -	\$ 2,693,150	\$ 2,693,150
2010	-	2,693,150	2,693,150
2011	7,405,000	2,545,050	9,950,050
2012	8,625,000	2,224,450	10,849,450
2013	8,970,000	1,872,550	10,842,550
2014	9,325,000	1,506,650	10,831,650
2015	9,700,000	1,077,650	10,777,650
2016	7,690,000	642,900	8,332,900
2017	8,185,000	246,025	8,431,025
2018	<u>1,035,000</u>	<u>20,700</u>	<u>1,055,700</u>
Total	<u>\$ 60,935,000</u>	<u>\$ 15,522,275</u>	<u>\$ 76,457,275</u>

Denomination \$5,000
Bonds due each year December 1st
Interest dates December 1st and June 1st
Interest rates 4.0% to 5.0%
Total issue \$60,935,000
Paying agent Bond Trust Services Corporation
Roseville, MN

CONSOLIDATED HIGH SCHOOL DISTRICT 230
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008

General Obligation Limited School Bonds
Issued January 3, 2008

<u>Year Due</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Due</u>
2009	\$ -	\$ 367,000	\$ 367,000
2010	-	367,000	367,000
2011	-	367,000	367,000
2012	-	367,000	367,000
2013	-	367,000	367,000
2014	-	367,000	367,000
2015	-	367,000	367,000
2016	-	367,000	367,000
2017	-	367,000	367,000
2018	<u>10,000.000</u>	<u>183.500</u>	<u>10,183.500</u>
Total	<u>\$ 10,000.000</u>	<u>\$ 3,486.500</u>	<u>\$ 13,486.500</u>

Denomination	\$5,000
Bonds due each year	December 1st
Interest dates	December 1st and June 1st
Interest rates	3.67%
Total issue	\$10,000,000
Paying agent	Bond Trust Services Corporation Roseville, MN

At June 30, 2008, \$5,047,827 is available in the Bond and Interest Fund to service the above listed bond issues.

The District is obligated under general obligation debt certificates as follows:

General Obligation Debt Certificates
Issued September 1, 2001

<u>Year Due</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Due</u>
2009	\$ 225,000	\$ 33,871	\$ 258,871
2010	230,000	24,940	254,940
2011	240,000	15,420	255,420
2012	<u>250,000</u>	<u>5,250</u>	<u>255,250</u>
Total	<u>\$ 945,000</u>	<u>\$ 79,481</u>	<u>\$ 1,024,481</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008

Denomination	\$5,000
Certificates due each year	December 1st
Interest dates	December 1st and June 1st
Interest rates	3.0% to 4.2%
Total issue	\$4,625,000
Paying agent	First Bank of Missouri Mission, Kansas

The debt service of the aforementioned general obligation debt certificates will be paid from the Building Fund, which is a subfund of the General Fund. At June 30, 2008, no funds were specifically designated for the future retirement of this debt.

The District is obligated under a note payable agreement as follows:

Principal
Balance Due
June 30, 2008

Note payable to a finance company, due in annual installments of \$57,600 including interest at 5%, with final payment due in August, 2008. The note is collateralized by specific equipment.

\$ 54.896

Total annual debt service requirements to maturity for all debt outstanding are as follows:

<u>Year Due</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Due</u>
2009	\$ 7,934,896	\$ 3,918,402	\$ 11,853,298
2010	8,110,000	3,558,715	11,668,715
2011	8,530,000	3,182,445	11,712,445
2012	8,875,000	2,833,975	11,708,975
2013	8,970,000	2,476,825	11,446,825
2014	9,325,000	2,110,925	11,435,925
2015	9,700,000	1,681,925	11,381,925
2016	10,185,000	1,247,175	11,432,175
2017	10,685,000	738,025	11,423,025
2018	<u>11,035,000</u>	<u>204,200</u>	<u>11,239,200</u>
Total	<u>\$ 93,349,896</u>	<u>\$ 21,952,612</u>	<u>\$ 115,302,508</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008

Long-term liability activity for the year ended June 30, 2008 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Bonds payable:					
General obligation bonds	\$ 96,805,000	\$ 74,210,000	\$ 78,665,000	\$ 92,350,000	\$ 7,655,000
Deferred amounts:					
Premium	-	2,715,658	218,829	2,496,829	-
On refunding	-	(1,460,365)	(104,661)	(1,355,704)	-
Total bonds payable	96,805,000	75,465,293	78,779,168	93,491,125	7,655,000
General obligation debt certificates	1,160,000	-	215,000	945,000	225,000
Note payable	107,211	-	52,315	54,896	54,894
Total	<u>\$ 98,072,211</u>	<u>\$ 75,465,293</u>	<u>\$ 79,046,483</u>	<u>\$ 94,491,021</u>	<u>\$ 7,934,894</u>

During the year, the District issued general obligation bonds of \$70,935,000 (par value) with interest rates of 3.67% - 5.00% to advance general obligation bonds with interest rates of 3.05% - 5.50% and a par value of \$71,760,000. The general obligation bonds were issued at a premium and, after paying issuance costs, the net proceeds were \$73,220,365. The net proceeds from the issuance of the general obligation bonds were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the general obligation bonds mature or are called. The advance refunding met the requirements of an in-substance debt defeasance and the limited general obligation bonds were removed from the District's government-wide financial statements.

As a result of the advance refunding, the District decreased its total debt service requirements by \$6,020,615, which resulted in an economic loss (difference between the present value of the debt service payments on the old and new debt) of \$258,082.

E. Interfund Transfers

<u>Transfer from</u>	<u>Transfer to</u>	<u>Amount</u>
Major governmental funds:	Major governmental fund:	
Bond and Interest Fund	General subfund:	
	Operations and Maintenance Fund	\$ 650,000
Working Cash Fund	Operations and Maintenance Fund	<u>150,000</u>
Total		<u>\$ 800,000</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. Transfers are also used to move unrestricted revenues collected in the Transportation Fund and Working Cash Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**CONSOLIDATED HIGH SCHOOL DISTRICT 230
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008**

F. Reconciliation of Unreserved Fund Balance to Unrestricted Net Assets

Unreserved fund balance at June 30, 2008 as reflected in the Statement of Assets, Liabilities and Fund Balances Arising from Cash Transactions - Governmental Funds:

General Fund	\$ 22,794,185
Special revenue funds	<u>4,710,672</u>
Total	27,504,857
Debt outstanding at June 30, 2008 that is unrelated to capital assets	<u>(2,000,000)</u>
Unrestricted net assets at June 30, 2008, as reflected in the Statement of Net Assets Arising from Cash Transactions - Governmental Activities	<u>\$ 25,504,857</u>

IV. OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injury to employees; and natural disasters. In order to protect against such losses, the District has purchased insurance from private insurance companies and has also joined an insurance cooperative. The cooperative currently operates as a common risk management and insurance program for local governmental entities in the State of Illinois. The District pays annual premiums to the cooperative for its general insurance coverage. The agreement for formation of the cooperative provides that it will be self-sustaining through member premiums and will reinsure through commercial companies for losses in excess of various limits established for each type of coverage. The amount of coverage has not decreased nor have the amount of settlements exceeded coverage in the current year or any of the past three years.

B. Employee Retirement Systems and Plans

1. Teachers' Retirement System of the State of Illinois

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

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

**CONSOLIDATED HIGH SCHOOL DISTRICT 230
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008**

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, 2008 was 9.4 percent of creditable earnings. These contributions, which may be paid on behalf of employees by their employer, are submitted to TRS by the employer. The active member contribution rate was also 9.4 percent for the years ended June 30, 2007 and 2006.

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

On-behalf contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2008, State of Illinois contributions were based on 13.11 percent of creditable earnings not paid from federal funds, and the District recognized revenue and expenditures of \$6,794,495 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2007 and 2006, the State of Illinois contribution rates as percentages of creditable earnings were 9.78 percent (\$4,950,901) and 7.06 percent (\$3,445,824), respectively.

The State contributions to TRS for the year ended June 30, 2008 were based on an actuarial formula. The State contributions for the years ended June 30, 2007 and were based on dollar amounts specified by the statute and were not actuarially determined.

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

2.2 formula contributions. Employers contribute 0.58 percent of creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2008 were \$388,431. Contributions for the years ended June 30, 2007, and 2006 were \$294,569 and \$283,030, respectively.

Federal and special trust fund contributions. When TRS members are paid from federal and special trust funds administered by the District, there is a statutory requirement for the District to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that was first effective for the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and trust funds will be the same as the State contribution rate to TRS.

For the year ended June 30, 2008, the employer pension contribution was 13.11 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2007 and 2006, the employer pension contribution was 9.78 and 7.06 percent of salaries paid from federal and special trust funds, respectively. For the year ended June 30, 2008, salaries totaling \$47,187 were paid from federal and special trust funds that required employer contributions of \$6,186. For the years ended June 30, 2007 and 2006, required District contributions were \$8,837 and \$81,571, respectively.

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

**CONSOLIDATED HIGH SCHOOL DISTRICT 230
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008**

Under Public Act 94-0004, a "Pipeline ERO" program was provided for members to retire under the same terms as the ERO program that expired June 30, 2005, provided they met certain conditions and retired on or before July 1, 2007. If members did not meet these conditions, they can retire under the "Modified ERO" program which requires higher member and employer contributions to TRS. Also, under the Modified ERO, Public Act 94-0004 eliminates the waiver of member and employer contributions that had been in effect for members with 34 years of service (unless the member qualified for the Pipeline ERO).

Under the Pipeline ERO, the maximum employer contribution was 100 percent of the member's highest salary used in the final average salary calculation.

Under the Modified ERO, the maximum employer contribution is 117.5 percent.

Both the 100 percent and 117.5 percent maximums apply when the member is age 55 at retirement.

For the year ended June 30, 2008, the District paid \$388,431 to TRS for employer contributions under the ERO Program. For the years ended June 30, 2007 and 2006, the District paid \$0 and \$616,996 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 up to 6 percent.

For the year ended June 30, 2008, the District paid \$0 to TRS for employer contributions due on salary increases in excess of 6 percent. For the years ended June 30, 2007 and 2006, the District paid \$0 in 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 (17.62 percent of salary during the year ended June 30, 2008).

For the year ended June 30, 2008, the District paid \$0 to TRS for sick leave days granted in excess of the normal annual allotment. For the years ended June 30, 2007 and 2006, the District paid \$0 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, 2007. The report for the year ended June 30, 2008 is expected to be available in late 2008.

CONSOLIDATED HIGH SCHOOL DISTRICT 230
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008

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

2. Illinois Municipal Retirement Fund

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

Funding Policy. As set by statute, the District's Regular plan members are required to contribute 4.5% of their annual covered salary. The statutes require the District to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's contribution rate for calendar year 2007 was 8.84% 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 statute.

Annual Pension Cost. For 2007, the District's annual pension cost of \$701,799 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>
12/31/07	\$ 701,799	100%	\$ 0
12/31/06	668,854	100%	0
12/31/05	657,067	100%	0

The required contribution was determined as part of the December 31, 2005 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2005 included (a) 7.5% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the District's Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor between the actuarial and market value of assets. The District 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 December 31, 2007 was 25 years.

**CONSOLIDATED HIGH SCHOOL DISTRICT 230
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008**

Funded Status and Funding Progress. As of December 31, 2007, the most recent actuarial valuation date, the Regular plan of the District was 102.65 percent funded. The actuarial accrued liability for benefits was \$19,584,574 and the actuarial value of assets was \$20,103,974, resulting in an overfunded actuarial accrued liability (UAAL) of \$519,400. The covered payroll (annual payroll of active employees covered by the plan) of the District was \$7,938,905 and since the plan is overfunded, there is no ratio of the UAAL to the covered payroll.

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

3. Social Security

Employees not qualifying for coverage under the 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. The District paid \$517,478, the total required contribution for the current year.

C. Teacher Health Insurance Security Fund

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

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

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

On behalf contributions to THIS Fund. The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 0.84 percent of pay during the year ended June 30, 2008. State of Illinois contributions were \$435,406, and the District recognized revenues and expenditures of this amount during the year.

CONSOLIDATED HIGH SCHOOL DISTRICT 230
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008

State contributions intended to match active member contributions during the years ended June 30, 2007 and 2006 were 0.80 percent of pay. State contributions on behalf of District employees were \$404,981 and \$390,461, respectively.

Employer contributions to THIS Fund. The employer (District) also makes contributions to THIS Fund. The employer THIS Fund contribution was 0.63 percent during the year ended June 30, 2008 and 0.60 percent during the years ended June 30, 2007 and 2006. For the year ended June 30, 2008, the District paid \$326,555 to the THIS Fund. For the years ended June 30, 2007 and 2006, the District paid \$303,736 and \$292,846, respectively, 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, IL 62763-3838.

D. Construction Commitments

As of June 30, 2008, the District had the following commitments with respect to unfinished capital projects:

<u>Capital Project</u>	<u>Remaining Construction Commitment</u>
Interior renovations	\$ 1,676,617
Life Safety	762,585
Bleacher renovations	113,980
Furniture	153,908
Locker installation	1,549,368
Fitness equipment	<u>51,080</u>
Total	<u>\$ 4,307,538</u>

E. Jointly Governed Organization

The District, in conjunction with eleven other area school districts, has created the Southwest Cook County Cooperative Association for Special Education (SWCASE). The SWCASE's board of directors is composed of one member from each of the eleven participating school districts. The SWCASE charged the District \$2,928,856 for special education tuition and other related expenditures during the year ended June 30, 2008.

F. Tort Immunity Expenditures

Tort immunity expenditures for the year ended June 30, 2008 are summarized as follows:

Risk management	\$ 176,989
Unemployment	30,365
Workers' compensation	201,057
Liability insurance	<u>204,282</u>
Total	<u>\$ 612,693</u>

**CONSOLIDATED HIGH SCHOOL DISTRICT 230
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008**

G. Contingencies

The District was self-insured for dental insurance provided to its employees during the year ended June 30, 2008. The District has no unfunded obligation for known future claims at June 30, 2008.

The District was partially self-insured up to \$350,000 for worker's compensation claims. The District faces possible exposure to loss relating to several pending workers' compensation claims. The District does not believe these losses are material to the financial statements.

The District is a party to several property tax appeals pending before the Property Tax Appeal Board. The District intends to defend its position vigorously. No estimate can be made of the amount, if any, that will have to be refunded or of the effects on future revenue.

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

H. Concentrations

Substantially all of the District's nonmanagement employees are covered under one of three collective bargaining agreement that expire between June, 2010 and June, 2012.

I. Lease Commitments

The District leases office equipment under lease agreements that expire in July, 2012. Rent expense under these leases for the year ended June 30, 2008 was \$164,954. Future minimum lease payments required under these leases in years ending June 30 are as follows:

2009	\$	190,690
2010		190,690
2011		190,690
2012		190,690
2013		<u>15,891</u>
Total	\$	<u>778,651</u>

REQUIRED SUPPLEMENTARY INFORMATION

CONSOLIDATED HIGH SCHOOL DISTRICT 230
SCHEDULE OF REVENUES RECEIVED, EXPENDITURES PAID AND CHANGES IN FUND
BALANCES ARISING FROM CASH TRANSACTIONS - BUDGET AND ACTUAL
GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2008

	General Fund		Variance with Final Budget Positive (Negative)
	Original and Final Budget	Actual	
Revenues:			
Local sources:			
Property taxes	\$ 76,934,000	\$ 77,401,207	\$ 467,207
Personal property replacement taxes	1,000,000	1,035,970	35,970
Investment income	1,749,000	1,760,335	11,335
Pupil activities	475,000	525,106	50,106
Food service	3,326,000	3,255,277	(70,723)
Textbooks	1,765,000	1,746,070	(18,930)
Other	1,031,100	991,562	(39,538)
Total local sources	<u>86,280,100</u>	<u>86,715,527</u>	<u>435,427</u>
State sources:			
General state aid	11,467,052	11,443,950	(23,102)
Grants-in-aid	3,633,723	2,981,964	(651,759)
Total state sources	<u>15,100,775</u>	<u>14,425,914</u>	<u>(674,861)</u>
Federal sources:			
Grants-in-aid	2,147,649	1,898,963	(248,686)
On behalf revenues	6,000,000	7,121,050	1,121,050
Total revenues	<u>109,528,524</u>	<u>110,161,454</u>	<u>632,930</u>
Expenditures:			
Current:			
Instruction	60,661,577	58,394,844	2,266,733
Support services	37,831,037	36,609,074	1,221,963
Community services	634,314	558,458	75,856
Nonprogrammed charges	3,213,000	3,028,957	184,043
On behalf expenditures	6,000,000	7,121,050	(1,121,050)
Provision for contingencies	50,000	-	50,000
Debt service:			
Principal	267,317	267,315	2
Interest	47,863	47,863	-
Total expenditures	<u>108,705,108</u>	<u>106,027,561</u>	<u>2,677,547</u>
Excess (deficiency) of revenues over (under) expenditures	<u>823,416</u>	<u>4,133,893</u>	<u>3,310,477</u>
Other financing sources (uses):			
Bond issuance	700,000	-	(700,000)
Transfers in	-	800,000	800,000
Transfers out	-	-	-
Total other financing sources (uses)	<u>700,000</u>	<u>800,000</u>	<u>100,000</u>
Net change in fund balances	1,523,416	4,933,893	3,410,477
Fund balances at beginning of year	<u>19,643,006</u>	<u>19,643,006</u>	<u>-</u>
Fund balances at end of year	<u>\$ 21,166,422</u>	<u>\$ 24,576,899</u>	<u>\$ 3,410,477</u>

Special Revenue Funds

Transportation			Working Cash		
Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 3,796,280	\$ 3,819,549	\$ 23,269	\$ 591,000	\$ 980,185	\$ 389,185
85,000	67,122	(17,878)	357,000	362,372	5,372
-	-	-	-	-	-
-	-	-	-	-	-
17,000	36,236	19,236	-	-	-
<u>3,898,280</u>	<u>3,922,907</u>	<u>24,627</u>	<u>948,000</u>	<u>1,342,557</u>	<u>394,557</u>
-	-	-	-	-	-
3,172,955	2,778,543	(394,412)	-	-	-
<u>3,172,955</u>	<u>2,778,543</u>	<u>(394,412)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>7,071,235</u>	<u>6,701,450</u>	<u>(369,785)</u>	<u>948,000</u>	<u>1,342,557</u>	<u>394,557</u>
-	-	-	-	-	-
6,971,324	7,497,935	(526,611)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>6,971,324</u>	<u>7,497,935</u>	<u>(526,611)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>99,911</u>	<u>(796,485)</u>	<u>(896,396)</u>	<u>948,000</u>	<u>1,342,557</u>	<u>394,557</u>
-	-	-	-	-	-
-	-	-	-	(150,000)	(150,000)
-	-	-	-	(150,000)	(150,000)
99,911	(796,485)	(896,396)	948,000	1,192,557	244,557
<u>3,666,568</u>	<u>3,666,568</u>	<u>-</u>	<u>17,282,511</u>	<u>17,282,511</u>	<u>-</u>
<u>\$ 3,766,479</u>	<u>\$ 2,870,083</u>	<u>\$ (896,396)</u>	<u>\$ 18,230,511</u>	<u>\$ 18,475,068</u>	<u>\$ 244,557</u>

**CONSOLIDATED HIGH SCHOOL DISTRICT 230
SCHEDULE OF FUNDING PROGRESS -
ILLINOIS MUNICIPAL RETIREMENT FUND
JUNE 30, 2008**

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Accrued Liability (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
December 31, 2007	\$ 20,103,974	\$ 19,584,574	\$ (519,400)	102.65 %	\$ 7,938,905	0.00 %
December 31, 2006	18,198,750	17,871,819	(326,931)	101.83	7,456,569	0.00
December 31, 2005	16,924,140	17,343,618	419,478	97.58	6,880,283	6.10

**COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES**

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MAJOR GOVERNMENTAL FUNDS

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GENERAL FUND

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CONSOLIDATED HIGH SCHOOL DISTRICT 230
GENERAL FUND
COMBINING SCHEDULE OF ASSETS, LIABILITIES AND
FUND BALANCES ARISING FROM CASH TRANSACTIONS
JUNE 30, 2008
WITH COMPARATIVE TOTALS FOR JUNE 30, 2007

		Operations and	<u>Totals</u>	
	<u>Educational</u>	<u>Maintenance</u>	<u>2008</u>	<u>2007</u>
ASSETS				
Equity in pooled cash and investments	\$ 19,821,073	\$ 5,174,179	\$ 24,995,252	\$ 20,057,591
Other receivables	<u>-</u>	<u>-</u>	<u>-</u>	<u>23</u>
Total assets	<u>\$ 19,821,073</u>	<u>\$ 5,174,179</u>	<u>\$ 24,995,252</u>	<u>\$ 20,057,614</u>
 LIABILITIES AND FUND BALANCES				
Liabilities:				
Payroll withholdings payable	<u>\$ 418,353</u>	<u>\$ -</u>	<u>\$ 418,353</u>	<u>\$ 414,608</u>
Fund balances:				
Reserved for tort immunity	-	-	-	403,101
Reserved for tax amnesty	1,014,416	-	1,014,416	994,018
Reserved for debt service	-	-	-	7,939
Reserved for fire prevention and safety	-	768,298	768,298	368,861
Unreserved	<u>18,388,304</u>	<u>4,405,881</u>	<u>22,794,185</u>	<u>17,869,087</u>
Total fund balances	<u>19,402,720</u>	<u>5,174,179</u>	<u>24,576,899</u>	<u>19,643,006</u>
Total liabilities and fund balances	<u>\$ 19,821,073</u>	<u>\$ 5,174,179</u>	<u>\$ 24,995,252</u>	<u>\$ 20,057,614</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230
GENERAL FUND
COMBINING SCHEDULE OF REVENUES RECEIVED, EXPENDITURES PAID
AND CHANGES IN FUND BALANCES ARISING FROM CASH TRANSACTIONS
YEAR ENDED JUNE 30, 2008
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2007

	<u>Educational</u>	<u>Operations and Maintenance</u>	<u>Totals</u>	
			<u>2008</u>	<u>2007</u>
Revenues:				
Local sources:				
Property taxes	\$ 64,594,677	\$ 12,806,530	\$ 77,401,207	\$ 73,764,233
Personal property replacement taxes	1,035,970	-	1,035,970	1,048,601
Investment income	1,693,969	66,366	1,760,335	1,931,130
Pupil activities	525,106	-	525,106	529,541
Food service	3,255,277	-	3,255,277	3,084,405
Textbooks	1,746,070	-	1,746,070	1,955,756
Other	<u>770,186</u>	<u>221,376</u>	<u>991,562</u>	<u>1,080,947</u>
Total local sources	<u>73,621,255</u>	<u>13,094,272</u>	<u>86,715,527</u>	<u>83,394,613</u>
State sources:				
General state aid	10,976,898	467,052	11,443,950	9,707,595
Grants-in-aid	<u>2,677,340</u>	<u>304,624</u>	<u>2,981,964</u>	<u>3,636,167</u>
Total state sources	<u>13,654,238</u>	<u>771,676</u>	<u>14,425,914</u>	<u>13,343,762</u>
Federal sources:				
Grants-in-aid	<u>1,898,963</u>	<u>-</u>	<u>1,898,963</u>	<u>1,751,181</u>
On behalf revenues	<u>7,121,050</u>	<u>-</u>	<u>7,121,050</u>	<u>4,950,901</u>
Total revenues	<u>96,295,506</u>	<u>13,865,948</u>	<u>110,161,454</u>	<u>103,440,457</u>
Expenditures:				
Current:				
Instruction	<u>58,394,844</u>	<u>-</u>	<u>58,394,844</u>	<u>57,052,277</u>
Support services:				
Pupils	7,289,850	-	7,289,850	6,894,743
Instructional staff	3,109,442	-	3,109,442	2,919,516
General administration	1,182,413	-	1,182,413	1,473,404
School administration	4,576,664	-	4,576,664	4,332,264
Business	4,250,067	13,434,710	17,684,777	16,882,165
Central	2,285,302	-	2,285,302	2,194,097
Other	<u>-</u>	<u>480,626</u>	<u>480,626</u>	<u>651,625</u>
Total support services	<u>22,693,738</u>	<u>13,915,336</u>	<u>36,609,074</u>	<u>35,347,814</u>

	<u>Educational</u>	<u>Operations and Maintenance</u>	<u>Totals</u>	
			<u>2008</u>	<u>2007</u>
Community services	<u>558,458</u>	<u>-</u>	<u>558,458</u>	<u>555,128</u>
Nonprogrammed charges	<u>3,028,957</u>	<u>-</u>	<u>3,028,957</u>	<u>2,793,624</u>
On behalf expenditures	<u>7,121,050</u>	<u>-</u>	<u>7,121,050</u>	<u>4,950,901</u>
Debt service:				
Principal	<u>-</u>	<u>267,315</u>	<u>267,315</u>	<u>656,906</u>
Interest	<u>-</u>	<u>47,863</u>	<u>47,863</u>	<u>57,752</u>
Total debt service	<u>-</u>	<u>315,178</u>	<u>315,178</u>	<u>714,658</u>
Total expenditures	<u>91,797,047</u>	<u>14,230,514</u>	<u>106,027,561</u>	<u>101,414,402</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,498,459</u>	<u>(364,566)</u>	<u>4,133,893</u>	<u>2,026,055</u>
Other financing sources:				
Proceeds from note payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>164,117</u>
Transfers in	<u>-</u>	<u>800,000</u>	<u>800,000</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>800,000</u>	<u>800,000</u>	<u>164,117</u>
Net change in fund balances	<u>4,498,459</u>	<u>435,434</u>	<u>4,933,893</u>	<u>2,190,172</u>
Fund balances at beginning of year	<u>14,904,261</u>	<u>4,738,745</u>	<u>19,643,006</u>	<u>17,452,834</u>
Fund balances at end of year	<u>\$ 19,402,720</u>	<u>\$ 5,174,179</u>	<u>\$ 24,576,899</u>	<u>\$ 19,643,006</u>

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EDUCATIONAL FUND

**CONSOLIDATED HIGH SCHOOL DISTRICT 230
EDUCATIONAL FUND
COMBINING SCHEDULE OF ASSETS, LIABILITIES AND FUND
BALANCES ARISING FROM CASH TRANSACTIONS
JUNE 30, 2008
WITH COMPARATIVE TOTALS FOR JUNE 30, 2007**

	<u>Educational</u>	<u>Tort Immunity</u>	<u>Substance Abuse</u>	<u>Special Tax</u>
ASSETS				
Equity in pooled cash and investments	\$ 18,916,513	\$ (209,592)	\$ 99,736	\$ 1,014,416
Other receivables	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 18,916,513</u>	<u>\$ (209,592)</u>	<u>\$ 99,736</u>	<u>\$ 1,014,416</u>
LIABILITIES AND FUND BALANCES (DEFICIT)				
Liabilities:				
Payroll withholdings payable	<u>\$ 418,353</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances (deficit):				
Reserved for tort immunity	-	-	-	-
Reserved for tax amnesty	-	-	-	1,014,416
Unreserved	<u>18,498,160</u>	<u>(209,592)</u>	<u>99,736</u>	<u>-</u>
Total fund balances (deficit)	<u>18,498,160</u>	<u>(209,592)</u>	<u>99,736</u>	<u>1,014,416</u>
Total liabilities and fund balances (deficit)	<u>\$ 18,916,513</u>	<u>\$ (209,592)</u>	<u>\$ 99,736</u>	<u>\$ 1,014,416</u>

Totals	
<u>2008</u>	<u>2007</u>
\$ 19,821,073	\$ 15,318,846
<u>-</u>	<u>23</u>
<u>\$ 19,821,073</u>	<u>\$ 15,318,869</u>

<u>\$ 418.353</u>	<u>\$ 414.608</u>
-------------------	-------------------

-	403,101
1,014,416	994,018
<u>18,388.304</u>	<u>13,507.142</u>

<u>19,402.720</u>	<u>14,904.261</u>
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<u>\$ 19,821,073</u>	<u>\$ 15,318,869</u>
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**CONSOLIDATED HIGH SCHOOL DISTRICT 230
EDUCATIONAL FUND
COMBINING SCHEDULE OF REVENUES RECEIVED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCES ARISING FROM CASH TRANSACTIONS
YEAR ENDED JUNE 30, 2008
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2007**

	<u>Educational</u>	<u>Tort Immunity</u>	<u>Substance Abuse</u>	<u>Special Tax</u>	<u>Totals</u>	
					<u>2008</u>	<u>2007</u>
Revenues:						
Local sources:						
Property taxes	\$ 64,594,677	\$ -	\$ -	\$ -	\$ 64,594,677	\$ 61,674,365
Personal property replacement taxes	1,035,970	-	-	-	1,035,970	1,048,601
Investment income	1,671,663	-	1,908	20,398	1,693,969	1,809,704
Pupil activities	525,106	-	-	-	525,106	529,541
Food service	3,255,277	-	-	-	3,255,277	3,084,405
Textbooks	1,746,070	-	-	-	1,746,070	1,955,756
Other	770,186	-	-	-	770,186	782,981
Total local sources	<u>73,598,949</u>	<u>-</u>	<u>1,908</u>	<u>20,398</u>	<u>73,621,255</u>	<u>70,885,353</u>
State sources:						
General state aid	10,976,898	-	-	-	10,976,898	9,707,595
Grants-in-aid	2,677,340	-	-	-	2,677,340	3,268,635
Total state sources	<u>13,654,238</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,654,238</u>	<u>12,976,230</u>
Federal sources:						
Grants-in-aid	1,883,581	-	15,382	-	1,898,963	1,748,923
On behalf revenues	7,121,050	-	-	-	7,121,050	4,950,901
Total revenues	<u>96,257,818</u>	<u>-</u>	<u>17,290</u>	<u>20,398</u>	<u>96,295,506</u>	<u>90,561,407</u>
Expenditures:						
Current:						
Instruction	58,385,491	-	9,353	-	58,394,844	57,052,277
Support services:						
Pupils	7,289,850	-	-	-	7,289,850	6,894,743
Instructional staff	3,108,424	-	1,018	-	3,109,442	2,919,516
General administration	906,047	276,366	-	-	1,182,413	1,473,404
School administration	4,576,664	-	-	-	4,576,664	4,332,264
Business	3,917,670	332,397	-	-	4,250,067	3,936,252
Central	2,281,372	3,930	-	-	2,285,302	2,194,097
Total support services	<u>22,080,027</u>	<u>612,693</u>	<u>1,018</u>	<u>-</u>	<u>22,693,738</u>	<u>21,750,276</u>

	<u>Educational</u>	<u>Tort Immunity</u>	<u>Substance Abuse</u>	<u>Special Tax</u>	<u>Totals</u>	
					<u>2008</u>	<u>2007</u>
Community services	<u>558,458</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>558,458</u>	<u>555,128</u>
Nonprogrammed charges	<u>3,028,957</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,028,957</u>	<u>2,793,624</u>
On behalf expenditures	<u>7,121,050</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,121,050</u>	<u>4,950,901</u>
Total expenditures	<u>91,173,983</u>	<u>612,693</u>	<u>10,371</u>	<u>-</u>	<u>91,797,047</u>	<u>87,102,206</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,083,835</u>	<u>(612,693)</u>	<u>6,919</u>	<u>20,398</u>	<u>4,498,459</u>	<u>3,459,201</u>
Fund balances at beginning of year	<u>13,414,325</u>	<u>403,101</u>	<u>92,817</u>	<u>994,018</u>	<u>14,904,261</u>	<u>11,445,060</u>
Fund balances at end of year	<u>\$ 18,498,160</u>	<u>\$ (209,592)</u>	<u>\$ 99,736</u>	<u>\$ 1,014,416</u>	<u>\$ 19,402,720</u>	<u>\$ 14,904,261</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230
EDUCATIONAL FUND
STATEMENT OF REVENUES RECEIVED, EXPENDITURES PAID AND CHANGES IN
FUND BALANCES ARISING FROM CASH TRANSACTIONS - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2008
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	<u>2008</u>			<u>2007</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>	<u>Actual</u>
Revenues:				
Local sources:				
Property taxes	\$ 64,208,000	\$ 64,594,677	\$ 386,677	\$ 61,674,365
Personal property replacement taxes	1,000,000	1,035,970	35,970	1,048,601
Investment income	1,639,000	1,693,969	54,969	1,809,704
Pupil activities	475,000	525,106	50,106	529,541
Food service	3,326,000	3,255,277	(70,723)	3,084,405
Textbooks	1,765,000	1,746,070	(18,930)	1,955,756
Other	738,100	770,186	32,086	782,981
Total local sources	<u>73,151,100</u>	<u>73,621,255</u>	<u>470,155</u>	<u>70,885,353</u>
State sources:				
General state aid	11,000,000	10,976,898	(23,102)	9,707,595
Grants-in-aid	3,303,723	2,677,340	(626,383)	3,268,635
Total state sources	<u>14,303,723</u>	<u>13,654,238</u>	<u>(649,485)</u>	<u>12,976,230</u>
Federal sources:				
Grants-in-aid	2,147,649	1,898,963	(248,686)	1,748,923
On behalf revenues	<u>6,000,000</u>	<u>7,121,050</u>	<u>1,121,050</u>	<u>4,950,901</u>
Total revenues	<u>95,602,472</u>	<u>96,295,506</u>	<u>693,034</u>	<u>90,561,407</u>
Expenditures:				
Current:				
Instruction	60,661,577	58,394,844	2,266,733	57,052,277
Support services:				
Pupils	7,299,169	7,289,850	9,319	6,894,743
Instructional staff	3,359,159	3,109,442	249,717	2,919,516
General administration	1,588,801	1,182,413	406,388	1,473,404
School administration	4,640,263	4,576,664	63,599	4,332,264
Business	4,044,370	4,250,067	(205,697)	3,936,252
Central	2,431,773	2,285,302	146,471	2,194,097
Total support services	<u>23,363,535</u>	<u>22,693,738</u>	<u>669,797</u>	<u>21,750,276</u>

	2008		2007
	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative) Actual
Community services	<u>634,314</u>	<u>558,458</u>	<u>75,856</u> <u>555,128</u>
Nonprogrammed charges	<u>3,213,000</u>	<u>3,028,957</u>	<u>184,043</u> <u>2,793,624</u>
On behalf expenditures	<u>6,000,000</u>	<u>7,121,050</u>	<u>(1,121,050)</u> <u>4,950,901</u>
Total expenditures	<u>93,872,426</u>	<u>91,797,047</u>	<u>2,075,379</u> <u>87,102,206</u>
Excess of revenues over expenditures	<u>1,730,046</u>	<u>4,498,459</u>	<u>2,768,413</u> <u>3,459,201</u>
Fund balances at beginning of year	<u>14,904,261</u>	<u>14,904,261</u>	<u>-</u> <u>11,445,060</u>
Fund balances at end of year	<u>\$ 16,634,307</u>	<u>\$ 19,402,720</u>	<u>\$ 2,768,413</u> <u>\$ 14,904,261</u>

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OPERATIONS AND MAINTENANCE FUND

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**CONSOLIDATED HIGH SCHOOL DISTRICT 230
OPERATIONS AND MAINTENANCE FUND
COMBINING SCHEDULE OF ASSETS AND FUND BALANCES
ARISING FROM CASH TRANSACTIONS
JUNE 30, 2008
WITH COMPARATIVE TOTALS FOR JUNE 30, 2007**

	<u>Building</u>	<u>Fire Prevention and Safety</u>	<u>Totals</u>	
			<u>2008</u>	<u>2007</u>
ASSETS				
Equity in pooled cash and investments	<u>\$ 4,405,881</u>	<u>\$ 768,298</u>	<u>\$ 5,174,179</u>	<u>\$ 4,738,745</u>
FUND BALANCES				
Reserved for debt service	\$ -	\$ -	\$ -	\$ 7,939
Reserved for fire prevention and safety	-	768,298	768,298	368,861
Unreserved	<u>4,405,881</u>	<u>-</u>	<u>4,405,881</u>	<u>4,361,945</u>
Total fund balances	<u>\$ 4,405,881</u>	<u>\$ 768,298</u>	<u>\$ 5,174,179</u>	<u>\$ 4,738,745</u>

**CONSOLIDATED HIGH SCHOOL DISTRICT 230
OPERATIONS AND MAINTENANCE FUND
COMBINING SCHEDULE OF REVENUES RECEIVED, EXPENDITURES PAID
AND CHANGES IN FUND BALANCES ARISING FROM CASH TRANSACTIONS
YEAR ENDED JUNE 30, 2008
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2007**

	<u>Building</u>	<u>Fire Prevention and Safety</u>	<u>Totals</u>	
			<u>2008</u>	<u>2007</u>
Revenues:				
Local sources:				
Property taxes	\$ 12,806,530	\$ -	\$ 12,806,530	\$ 12,089,868
Investment income	63,074	3,292	66,366	121,426
Other	<u>221,376</u>	<u>-</u>	<u>221,376</u>	<u>297,966</u>
Total local sources	<u>13,090,980</u>	<u>3,292</u>	<u>13,094,272</u>	<u>12,509,260</u>
State sources:				
General state aid	467,052	-	467,052	-
Grants-in-aid	<u>304,624</u>	<u>-</u>	<u>304,624</u>	<u>369,790</u>
Total state sources	<u>771,676</u>	<u>-</u>	<u>771,676</u>	<u>369,790</u>
Total revenues	<u>13,862,656</u>	<u>3,292</u>	<u>13,865,948</u>	<u>12,879,050</u>
Expenditures:				
Current:				
Support services:				
Business	13,030,855	403,855	13,434,710	12,945,913
Other	<u>480,626</u>	<u>-</u>	<u>480,626</u>	<u>651,625</u>
Total support services	<u>13,511,481</u>	<u>403,855</u>	<u>13,915,336</u>	<u>13,597,538</u>
Debt service:				
Principal	267,315	-	267,315	656,906
Interest	<u>47,863</u>	<u>-</u>	<u>47,863</u>	<u>57,752</u>
Total debt service	<u>315,178</u>	<u>-</u>	<u>315,178</u>	<u>714,658</u>
Total expenditures	<u>13,826,659</u>	<u>403,855</u>	<u>14,230,514</u>	<u>14,312,196</u>
Excess (deficiency) of revenues over (under) expenditures	<u>35,997</u>	<u>(400,563)</u>	<u>(364,566)</u>	<u>(1,433,146)</u>

	<u>Building</u>	<u>Fire Prevention and Safety</u>	<u>Totals</u>	
			<u>2008</u>	<u>2007</u>
Other financing sources:				
Proceeds from note payable	-	-	-	164,117
Transfers in	<u>-</u>	<u>800,000</u>	<u>800,000</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>800,000</u>	<u>800,000</u>	<u>164,117</u>
Net change in fund balances	35,997	399,437	435,434	(1,269,029)
Fund balances at beginning of year	<u>4,369,884</u>	<u>368,861</u>	<u>4,738,745</u>	<u>6,007,774</u>
Fund balances at end of year	<u>\$ 4,405,881</u>	<u>\$ 768,298</u>	<u>\$ 5,174,179</u>	<u>\$ 4,738,745</u>

**CONSOLIDATED HIGH SCHOOL DISTRICT 230
OPERATIONS AND MAINTENANCE FUND
STATEMENT OF REVENUES RECEIVED, EXPENDITURES PAID AND CHANGES IN
FUND BALANCES ARISING FROM CASH TRANSACTIONS - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2008
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007**

	<u>2008</u>		<u>2007</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative) Actual</u>
Revenues:			
Local sources:			
Property taxes	\$ 12,726,000	\$ 12,806,530	\$ 80,530
Investment income	110,000	66,366	(43,634)
Other	293,000	221,376	(71,624)
Total local sources	<u>13,129,000</u>	<u>13,094,272</u>	<u>(34,728)</u>
State sources:			
General state aid	467,052	467,052	-
Grants-in-aid	<u>330,000</u>	<u>304,624</u>	<u>(25,376)</u>
Total state sources	<u>797,052</u>	<u>771,676</u>	<u>(25,376)</u>
Total revenues	<u>13,926,052</u>	<u>13,865,948</u>	<u>(60,104)</u>
Expenditures:			
Current:			
Support services:			
Business	14,008,532	13,434,710	573,822
Other	<u>458,970</u>	<u>480,626</u>	<u>(21,656)</u>
Total support services	<u>14,467,502</u>	<u>13,915,336</u>	<u>552,166</u>
Provision for contingencies	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Debt service:			
Principal	267,317	267,315	2
Interest	<u>47,863</u>	<u>47,863</u>	<u>-</u>
Total debt service	<u>315,180</u>	<u>315,178</u>	<u>2</u>
Total expenditures	<u>14,832,682</u>	<u>14,230,514</u>	<u>602,168</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(906,630)</u>	<u>(364,566)</u>	<u>542,064</u>

	2008			2007
	Original and and Final Budget	Actual	Variance with Final Budget Positive (Negative)	Actual
Other financing sources:				
Bond issuance	700,000	-	(700,000)	-
Proceeds from note payable	-	-	-	164,117
Transfers in	-	800,000	800,000	-
Total other financing sources	700,000	800,000	100,000	164,117
Net change in fund balances	(206,630)	435,434	642,064	(1,269,029)
Fund balances at beginning of year	4,738,745	4,738,745	-	6,007,774
Fund balances at end of year	\$ 4,532,115	\$ 5,174,179	\$ 642,064	\$ 4,738,745

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SPECIAL REVENUE FUNDS

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TRANSPORTATION FUND

CONSOLIDATED HIGH SCHOOL DISTRICT 230
TRANSPORTATION FUND
STATEMENT OF ASSETS AND FUND BALANCES
ARISING FROM CASH TRANSACTIONS
JUNE 30, 2008
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2007

	<u>2008</u>	<u>2007</u>
ASSETS		
Equity in pooled cash and investments	<u>\$ 2,870.083</u>	<u>\$ 3,666.568</u>
FUND BALANCES		
Unreserved	<u>\$ 2,870.083</u>	<u>\$ 3,666.568</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230
TRANSPORTATION FUND
STATEMENT OF REVENUES RECEIVED, EXPENDITURES PAID AND CHANGES IN
FUND BALANCES ARISING FROM CASH TRANSACTIONS - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2008
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	<u>2008</u>			<u>2007</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>	<u>Actual</u>
Revenues:				
Local sources:				
Property taxes	\$ 3,796,280	\$ 3,819,549	\$ 23,269	\$ 3,640,231
Investment income	85,000	67,122	(17,878)	85,664
Other	<u>17,000</u>	<u>36,236</u>	<u>19,236</u>	<u>16,452</u>
Total local sources	3,898,280	3,922,907	24,627	3,742,347
State sources:				
Grants-in-aid	<u>3,500,000</u>	<u>2,778,543</u>	<u>(721,457)</u>	<u>4,036,189</u>
Total revenues	7,398,280	6,701,450	(696,830)	7,778,536
Expenditures:				
Current:				
Support services:				
Business	<u>6,971,324</u>	<u>7,497,935</u>	<u>(526,611)</u>	<u>6,525,018</u>
Excess (deficiency) of revenues over (under) expenditures	426,956	(796,485)	(1,223,441)	1,253,518
Fund balances at beginning of year	<u>3,666,568</u>	<u>3,666,568</u>	<u>-</u>	<u>2,413,050</u>
Fund balances at end of year	<u>\$ 4,093,524</u>	<u>\$ 2,870,083</u>	<u>\$ (1,223,441)</u>	<u>\$ 3,666,568</u>

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WORKING CASH FUND

CONSOLIDATED HIGH SCHOOL DISTRICT 230
WORKING CASH FUND
STATEMENT OF ASSETS AND FUND BALANCES
ARISING FROM CASH TRANSACTIONS
JUNE 30, 2008
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2007

	<u>2008</u>	<u>2007</u>
ASSETS		
Equity in pooled cash and investments	<u>\$ 18,475,068</u>	<u>\$ 17,282,511</u>
FUND BALANCES		
Reserved for working cash	<u>\$ 18,475,068</u>	<u>\$ 17,282,511</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230
WORKING CASH FUND
STATEMENT OF REVENUES RECEIVED AND CHANGES IN FUND BALANCES
ARISING FROM CASH TRANSACTIONS - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2008
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	<u>2008</u>		<u>2007</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
			<u>Actual</u>
Revenues:			
Local sources:			
Property taxes	\$ 673,000	\$ 980,185	\$ 307,185
Investment income	<u>380,000</u>	<u>362,372</u>	<u>(17,628)</u>
Total revenues	<u>1,053,000</u>	<u>1,342,557</u>	<u>289,557</u>
Other financing sources (uses):			
Bond issuance	3,500,000	-	(3,500,000)
Transfers out	<u>-</u>	<u>(150,000)</u>	<u>(150,000)</u>
Total other financing sources (uses)	<u>3,500,000</u>	<u>(150,000)</u>	<u>(3,650,000)</u>
Net change in fund balances	4,553,000	1,192,557	(3,360,443)
Fund balances at beginning of year	<u>17,282,511</u>	<u>17,282,511</u>	<u>-</u>
Fund balances at end of year	<u>\$ 21,835,511</u>	<u>\$ 18,475,068</u>	<u>\$ (3,360,443)</u>

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DEBT SERVICE FUND

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BOND AND INTEREST FUND

CONSOLIDATED HIGH SCHOOL DISTRICT 230
BOND AND INTEREST FUND
STATEMENT OF ASSETS AND FUND BALANCES
ARISING FROM CASH TRANSACTIONS
JUNE 30, 2008
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2007

	<u>2008</u>	<u>2007</u>
ASSETS		
Equity in pooled cash and investments	<u>\$ 5,047,827</u>	<u>\$ 4,780,260</u>
FUND BALANCES		
Reserved for debt service	<u>\$ 5,047,827</u>	<u>\$ 4,780,260</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230
BOND AND INTEREST FUND
STATEMENT OF REVENUES RECEIVED, EXPENDITURES PAID AND CHANGES IN
FUND BALANCES ARISING FROM CASH TRANSACTIONS - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2008
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	<u>2008</u>		<u>2007</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u> <u>Actual</u>
Revenues:			
Local sources:			
Property taxes	\$ 11,946,000	\$ 11,967,607	\$ 21,607
Investment income	<u>160,000</u>	<u>106,131</u>	<u>(53,869)</u>
Total revenues	<u>12,106,000</u>	<u>12,073,738</u>	<u>(32,262)</u>
Expenditures:			
Debt service:			
Principal	6,905,000	6,905,000	-
Interest	4,429,800	4,251,808	177,992
Bond issuance costs and fees	<u>2,000</u>	<u>387,497</u>	<u>(385,497)</u>
Total expenditures	<u>11,336,800</u>	<u>11,544,305</u>	<u>(207,505)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>769,200</u>	<u>529,433</u>	<u>(239,767)</u>
Other financing sources (uses):			
Bond issuance	-	70,935,000	70,935,000
Premiums on bonds	-	2,673,499	2,673,499
Payments made to escrow agent	-	(73,220,365)	(73,220,365)
Transfers out	<u>-</u>	<u>(650,000)</u>	<u>(650,000)</u>
Total other financing sources (uses)	<u>-</u>	<u>(261,866)</u>	<u>(261,866)</u>
Net change in fund balances	769,200	267,567	(501,633)
Fund balances at beginning of year	<u>4,780,260</u>	<u>4,780,260</u>	<u>-</u>
Fund balances at end of year	<u>\$ 5,549,460</u>	<u>\$ 5,047,827</u>	<u>\$ (501,633)</u>

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NONMAJOR GOVERNMENTAL FUNDS

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CONSOLIDATED HIGH SCHOOL DISTRICT 230
COMBINING STATEMENT OF ASSETS AND FUND BALANCES
ARISING FROM CASH TRANSACTIONS -
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2008

	<u>Special Revenue FICA, Medicare/ IMRF</u>	<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS			
Equity in pooled cash and investments	<u>\$ 1,840,589</u>	<u>\$ 3,875,399</u>	<u>\$ 5,715,988</u>
FUND BALANCES			
Reserved for capital projects	\$ -	\$ 3,875,399	\$ 3,875,399
Unreserved	<u>1,840,589</u>	<u>-</u>	<u>1,840,589</u>
Total fund balances	<u>\$ 1,840,589</u>	<u>\$ 3,875,399</u>	<u>\$ 5,715,988</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230
COMBINING STATEMENT OF REVENUES RECEIVED, EXPENDITURES PAID
AND CHANGES IN FUND BALANCES ARISING FROM CASH TRANSACTIONS -
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2008

	<u>Special Revenue FICA, Medicare/ IMRF</u>	<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
Revenues:			
Local sources:			
Property taxes	\$ 1,709,927	\$ -	\$ 1,709,927
Payments in lieu of taxes	-	851,024	851,024
Investment income	36,555	62,902	99,457
Personal property replacement taxes	<u>272,000</u>	<u>-</u>	<u>272,000</u>
Total revenues	<u>2,018,482</u>	<u>913,926</u>	<u>2,932,408</u>
Expenditures:			
Current:			
Instruction	<u>839,753</u>	<u>-</u>	<u>839,753</u>
Support services:			
Pupils	274,013	-	274,013
Instructional staff	118,259	-	118,259
General administration	24,422	-	24,422
School administration	204,927	-	204,927
Business	313,549	-	313,549
Central	<u>123,052</u>	<u>-</u>	<u>123,052</u>
Total support services	<u>1,058,222</u>	<u>-</u>	<u>1,058,222</u>
Community services	<u>35,031</u>	<u>-</u>	<u>35,031</u>
Capital outlay	<u>-</u>	<u>2,963,947</u>	<u>2,963,947</u>
Total expenditures	<u>1,933,006</u>	<u>2,963,947</u>	<u>4,896,953</u>
Excess (deficiency) of revenues over (under) expenditures	<u>85,476</u>	<u>(2,050,021)</u>	<u>(1,964,545)</u>

	<u>Special Revenue FICA, Medicare/ IMRF</u>	<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
Other financing sources:			
Bond issuance	-	3,275,000	3,275,000
Premium on bonds	<u>-</u>	<u>42,159</u>	<u>42,159</u>
Total other financing sources	<u>-</u>	<u>3,317,159</u>	<u>3,317,159</u>
Net change in fund balances	85,476	1,267,138	1,352,614
Fund balances at beginning of year	<u>1,755,113</u>	<u>2,608,261</u>	<u>4,363,374</u>
Fund balances at end of year	<u>\$ 1,840,589</u>	<u>\$ 3,875,399</u>	<u>\$ 5,715,988</u>

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SPECIAL REVENUE FUND

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FICA, MEDICARE/IMRF FUND

CONSOLIDATED HIGH SCHOOL DISTRICT 230
FICA, MEDICARE/IMRF FUND
STATEMENT OF ASSETS AND FUND BALANCES
ARISING FROM CASH TRANSACTIONS
JUNE 30, 2008
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2007

	<u>2008</u>	<u>2007</u>
ASSETS		
Equity in pooled cash and investments	<u>\$ 1,840,589</u>	<u>\$ 1,755,113</u>
FUND BALANCES		
Unreserved	<u>\$ 1,840,589</u>	<u>\$ 1,755,113</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230
FICA, MEDICARE/IMRF FUND
STATEMENT OF REVENUES RECEIVED, EXPENDITURES PAID AND CHANGES IN
FUND BALANCES ARISING FROM CASH TRANSACTIONS - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2008
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	<u>2008</u>		<u>2007</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u> <u>Actual</u>
Revenues:			
Local sources:			
Property taxes	\$ 1,696,000	\$ 1,709,927	\$ 13,927
Investment income	44,000	36,555	(7,445)
Personal property replacement taxes	<u>272,000</u>	<u>272,000</u>	<u>-</u>
Total revenues	<u>2,012,000</u>	<u>2,018,482</u>	<u>6,482</u>
Expenditures:			
Current:			
Instruction	<u>905,188</u>	<u>839,753</u>	<u>65,435</u>
Support services:			
Pupils	277,600	274,013	3,587
Instructional staff	120,675	118,259	2,416
General administration	27,042	24,422	2,620
School administration	205,798	204,927	871
Business	307,535	313,549	(6,014)
Central	<u>131,021</u>	<u>123,052</u>	<u>7,969</u>
Total support services	<u>1,069,671</u>	<u>1,058,222</u>	<u>11,449</u>
Community services	<u>36,291</u>	<u>35,031</u>	<u>1,260</u>
Total expenditures	<u>2,011,150</u>	<u>1,933,006</u>	<u>78,144</u>
Excess (deficiency) of revenues over (under) expenditures	850	85,476	84,626
Fund balances at beginning of year	<u>1,755,113</u>	<u>1,755,113</u>	<u>-</u>
Fund balances at end of year	<u>\$ 1,755,963</u>	<u>\$ 1,840,589</u>	<u>\$ 84,626</u>

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CAPITAL PROJECTS FUND

CONSOLIDATED HIGH SCHOOL DISTRICT 230
CAPITAL PROJECTS FUND
STATEMENT OF ASSETS AND FUND BALANCES
ARISING FROM CASH TRANSACTIONS
JUNE 30, 2008
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2007

	<u>2008</u>	<u>2007</u>
ASSETS		
Equity in pooled cash and investments	<u>\$ 3,875,399</u>	<u>\$ 2,608,261</u>
FUND BALANCES		
Reserved for capital projects	<u>\$ 3,875,399</u>	<u>\$ 2,608,261</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230
CAPITAL PROJECTS FUND
STATEMENT OF REVENUES RECEIVED, EXPENDITURES PAID AND CHANGES IN
FUND BALANCES ARISING FROM CASH TRANSACTIONS - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2008
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	<u>2008</u>		<u>2007</u>	
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>	<u>Actual</u>
Revenues:				
Local sources:				
Payments in lieu of taxes	\$ 700,000	\$ 851,024	\$ 151,024	\$ 860,071
Investment income	40,000	62,902	22,902	35,844
Other	-	-	-	1,000,000
Total revenues	740,000	913,926	173,926	1,895,915
Expenditures:				
Capital outlay	<u>2,720,000</u>	<u>2,963,947</u>	<u>(243,947)</u>	<u>481,941</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,980,000)</u>	<u>(2,050,021)</u>	<u>(70,021)</u>	<u>1,413,974</u>
Other financing sources:				
Bond issuance	-	3,275,000	3,275,000	-
Premium on bonds	-	<u>42,159</u>	<u>42,159</u>	-
Total other financing sources	<u>-</u>	<u>3,317,159</u>	<u>3,317,159</u>	<u>-</u>
Net change in fund balances	(1,980,000)	1,267,138	3,247,138	1,413,974
Fund balances at beginning of year	<u>2,608,261</u>	<u>2,608,261</u>	<u>-</u>	<u>1,194,287</u>
Fund balances at end of year	<u>\$ 628,261</u>	<u>\$ 3,875,399</u>	<u>\$ 3,247,138</u>	<u>\$ 2,608,261</u>

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SUPPLEMENTARY INFORMATION

CONSOLIDATED HIGH SCHOOL DISTRICT 230
SCHEDULE OF EXPENDITURES PAID ARISING FROM CASH TRANSACTIONS -
ACTUAL AND BUDGET
YEAR ENDED JUNE 30, 2008

	<u>Salaries</u>	<u>Employee Benefits</u>	<u>Purchased Services</u>	<u>Supplies and Materials</u>
Educational Fund:				
Instruction:				
Regular programs	\$ 30,699,321	\$ 5,884,499	\$ 213,480	\$ 1,158,830
Special education programs	6,420,862	1,015,871	182,956	66,155
Vocational programs	3,157,816	366,678	47,226	264,584
Interscholastic programs	3,533,001	78,544	400,860	91,362
Summer school programs	267,537	1,471	-	13,128
Gifted programs	18	-	-	-
Truants' alternative and optional programs	<u>288,503</u>	<u>1,467</u>	<u>42</u>	<u>12,762</u>
Total instruction	<u>44,367,058</u>	<u>7,348,530</u>	<u>844,564</u>	<u>1,606,821</u>
Support services:				
Pupils:				
Attendance and social work services	2,537,552	402,578	7,393	21,458
Guidance services	2,918,567	292,081	4,689	28,460
Health services	293,737	70,249	-	6,145
Psychological services	205,705	33,367	719	4,909
Speech pathology and audiology services	354,298	30,650	130	724
Other support services	<u>-</u>	<u>-</u>	<u>30,837</u>	<u>39,222</u>
Total pupils	<u>6,309,859</u>	<u>828,925</u>	<u>43,768</u>	<u>100,918</u>
Instructional staff:				
Improvement of instruction services	1,067,608	420,071	188,219	56,740
Educational media services	952,596	165,364	7,190	195,296
Assessment and testing	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,525</u>
Total instructional staff	<u>2,020,204</u>	<u>585,435</u>	<u>195,409</u>	<u>263,561</u>
General administration:				
Board of Education services	-	-	257,692	1,122
Executive administration services	315,342	34,413	2,505	2,095
Special area administrative services	<u>239,728</u>	<u>9,460</u>	<u>8,467</u>	<u>6,431</u>
Total general administration	<u>555,070</u>	<u>43,873</u>	<u>268,664</u>	<u>9,648</u>

Capital Outlay	Other Objects	Transfers	Tuition	Totals		Variance - Positive (Negative)
				Actual	Budget	
\$ 174,894	\$ 4,205	\$ -	\$ -	\$ 38,135,229	\$ 39,979,283	\$ 1,844,054
26,158	-	-	3,798,729	11,510,731	11,501,886	(8,845)
109,691	-	-	53,775	3,999,770	4,339,788	340,018
11,091	39,975	-	-	4,154,833	4,204,427	49,594
-	-	-	-	282,136	274,463	(7,673)
-	-	-	-	18	-	(18)
-	-	-	-	302,774	348,445	45,671
<u>321,834</u>	<u>44,180</u>	<u>-</u>	<u>3,852,504</u>	<u>58,385,491</u>	<u>60,648,292</u>	<u>2,262,801</u>
1,927	99	-	-	2,971,007	2,854,216	(116,791)
4,149	205	-	-	3,248,151	3,362,194	114,043
-	-	-	-	370,131	382,496	12,365
-	-	-	-	244,700	243,539	(1,161)
-	-	-	-	385,802	385,035	(767)
-	-	-	-	70,059	71,689	1,630
<u>6,076</u>	<u>304</u>	<u>-</u>	<u>-</u>	<u>7,289,850</u>	<u>7,299,169</u>	<u>9,319</u>
7,571	1,746	-	-	1,741,955	1,952,033	210,078
34,498	-	-	-	1,354,944	1,386,551	31,607
-	-	-	-	11,525	12,525	1,000
<u>42,069</u>	<u>1,746</u>	<u>-</u>	<u>-</u>	<u>3,108,424</u>	<u>3,351,109</u>	<u>242,685</u>
-	27,116	-	-	285,930	420,054	134,124
-	1,337	-	-	355,692	547,899	192,207
-	339	-	-	264,425	224,848	(39,577)
<u>-</u>	<u>28,792</u>	<u>-</u>	<u>-</u>	<u>906,047</u>	<u>1,192,801</u>	<u>286,754</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230
SCHEDULE OF EXPENDITURES PAID ARISING FROM CASH TRANSACTIONS -
ACTUAL AND BUDGET
YEAR ENDED JUNE 30, 2008

	<u>Salaries</u>	<u>Employee Benefits</u>	<u>Purchased Services</u>	<u>Supplies and Materials</u>
School administration:				
Office of the principal services	1,778,829	330,794	235,366	118,442
Other support services	<u>1,724,808</u>	<u>327,945</u>	<u>6,174</u>	<u>-</u>
Total school administration	<u>3,503,637</u>	<u>658,739</u>	<u>241,540</u>	<u>118,442</u>
Business:				
Direction of business support services	146,761	2,575	2,837	-
Fiscal services	412,858	62,864	51,209	5,737
Food service	938,694	128,769	40,244	1,673,821
Internal services	<u>57,401</u>	<u>11,996</u>	<u>243,758</u>	<u>115,113</u>
Total business	<u>1,555,714</u>	<u>206,204</u>	<u>338,048</u>	<u>1,794,671</u>
Central:				
Planning, research, development and evaluation services	-	-	-	1,246
Information services	82,800	27,892	28,137	19,463
Staff services	435,847	48,743	23,481	25,441
Data processing services	<u>521,164</u>	<u>73,134</u>	<u>9,524</u>	<u>223,717</u>
Total central	<u>1,039,811</u>	<u>149,769</u>	<u>61,142</u>	<u>269,867</u>
Total support services	<u>14,984,295</u>	<u>2,472,945</u>	<u>1,148,571</u>	<u>2,557,107</u>
Community services	<u>456,025</u>	<u>3,434</u>	<u>861</u>	<u>98,138</u>
Nonprogrammed charges:				
Payments for regular programs	-	-	-	-
Payments for special education programs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total nonprogrammed charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
On behalf expenditures	<u>-</u>	<u>7,121,050</u>	<u>-</u>	<u>-</u>
Total Educational Fund	<u>\$ 59,807,378</u>	<u>\$ 16,945,959</u>	<u>\$ 1,993,996</u>	<u>\$ 4,262,066</u>

Capital Outlay	Other Objects	Transfers	Tuition	Totals		Variance - Positive (Negative)
				Actual	Budget	
26,191	28,115	-	-	2,517,737	2,449,488	(68,249)
-	-	-	-	2,058,927	2,190,775	131,848
26,191	28,115	-	-	4,576,664	4,640,263	63,599
-	575	-	-	152,748	156,176	3,428
18,151	-	-	-	550,819	549,857	(962)
4,232	75	-	-	2,785,835	2,559,827	(226,008)
-	-	-	-	428,268	449,396	21,128
22,383	650	-	-	3,917,670	3,715,256	(202,414)
-	-	-	-	1,246	25,146	23,900
1,121	945	-	-	160,358	173,724	13,366
3,517	7,629	-	-	544,658	560,957	16,299
746,306	1,265	-	-	1,575,110	1,666,946	91,836
750,944	9,839	-	-	2,281,372	2,426,773	145,401
847,663	69,446	-	-	22,080,027	22,625,371	545,344
-	-	-	-	558,458	633,736	75,278
-	6,321	-	-	6,321	48,000	41,679
-	-	-	3,022,636	3,022,636	3,165,000	142,364
-	6,321	-	3,022,636	3,028,957	3,213,000	184,043
-	-	-	-	7,121,050	6,000,000	(1,121,050)
<u>\$ 1,169,497</u>	<u>\$ 119,947</u>	<u>\$ -</u>	<u>\$ 6,875,140</u>	<u>\$ 91,173,983</u>	<u>\$ 93,120,399</u>	<u>\$ 1,946,416</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230
SCHEDULE OF EXPENDITURES PAID ARISING FROM CASH TRANSACTIONS -
ACTUAL AND BUDGET
YEAR ENDED JUNE 30, 2008

	<u>Salaries</u>	<u>Employee Benefits</u>	<u>Purchased Services</u>	<u>Supplies and Materials</u>
Tort Immunity Fund:				
Support services:				
General administration:				
Board of Education services	\$ -	\$ -	\$ 276,366	\$ -
Business:				
Operation and maintenance of plant services	-	-	332,397	-
Central:				
Staff services	-	-	3,930	-
Total Tort Immunity Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 612,693</u>	<u>\$ -</u>
Substance Abuse Fund:				
Instruction:				
Regular programs	\$ -	\$ -	\$ 8,550	\$ 803
Support services:				
Other support services	-	-	1,000	18
Community services	-	-	-	-
Total Substance Abuse Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,550</u>	<u>\$ 821</u>
Building Fund:				
Support services:				
Business:				
Facilities acquisition and construction services	\$ -	\$ -	\$ -	\$ -
Operation and maintenance of plant services	<u>499,745</u>	<u>51,007</u>	<u>5,751,398</u>	<u>2,736,255</u>
Total business	499,745	51,007	5,751,398	2,736,255
Other support services	-	-	204,149	266,496
Total support services	<u>499,745</u>	<u>51,007</u>	<u>5,955,547</u>	<u>3,002,751</u>

<u>Capital Outlay</u>	<u>Other Objects</u>	<u>Transfers</u>	<u>Tuition</u>	<u>Totals</u>		<u>Variance - Positive (Negative)</u>
				<u>Actual</u>	<u>Budget</u>	
\$ -	\$ -	\$ -	\$ -	\$ 276,366	\$ 396,000	\$ 119,634
-	-	-	-	332,397	329,114	(3,283)
-	-	-	-	3,930	5,000	1,070
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 612,693</u>	<u>\$ 730,114</u>	<u>\$ 117,421</u>
\$ -	\$ -	\$ -	\$ -	\$ 9,353	\$ 13,285	\$ 3,932
-	-	-	-	1,018	8,050	7,032
-	-	-	-	-	578	578
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,371</u>	<u>\$ 21,913</u>	<u>\$ 11,542</u>
\$ 3,887,694	\$ -	\$ -	\$ -	\$ 3,887,694	\$ 3,543,144	\$ (344,550)
<u>98,520</u>	<u>6,236</u>	<u>-</u>	<u>-</u>	<u>9,143,161</u>	<u>9,465,388</u>	<u>322,227</u>
3,986,214	6,236	-	-	13,030,855	13,008,532	(22,323)
<u>9,981</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>480,626</u>	<u>508,970</u>	<u>28,344</u>
<u>3,996,195</u>	<u>6,236</u>	<u>-</u>	<u>-</u>	<u>13,511,481</u>	<u>13,517,502</u>	<u>6,021</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230
SCHEDULE OF EXPENDITURES PAID ARISING FROM CASH TRANSACTIONS -
ACTUAL AND BUDGET
YEAR ENDED JUNE 30, 2008

	<u>Salaries</u>	<u>Employee Benefits</u>	<u>Purchased Services</u>	<u>Supplies and Materials</u>
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total debt service	-	-	-	-
Total Building Fund	<u>\$ 499,745</u>	<u>\$ 51,007</u>	<u>\$ 5,955,547</u>	<u>\$ 3,002,751</u>
Fire Prevention and Safety Fund:				
Support services:				
Business:				
Facilities acquisition and construction services	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Transportation Fund:				
Support services:				
Business:				
Pupil transportation services	<u>\$ 140,750</u>	<u>\$ 1,014</u>	<u>\$ 7,245,148</u>	<u>\$ 69,955</u>
Bond and Interest Fund:				
Debt service:				
Principal	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
Total Bond and Interest Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Capital Outlay</u>	<u>Other Objects</u>	<u>Transfers</u>	<u>Tuition</u>	<u>Totals</u>		<u>Variance - Positive (Negative)</u>
				<u>Actual</u>	<u>Budget</u>	
-	267,315	-	-	267,315	267,317	2
-	47,863	-	-	47,863	47,863	-
-	315,178	-	-	315,178	315,180	2
<u>\$ 3,996,195</u>	<u>\$ 321,414</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,826,659</u>	<u>\$ 13,832,682</u>	<u>\$ 6,023</u>
<u>\$ 403,855</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 403,855</u>	<u>\$ 1,000,000</u>	<u>\$ 596,145</u>
<u>\$ 41,068</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,497,935</u>	<u>\$ 6,971,324</u>	<u>\$ (526,611)</u>
\$ -	\$ 6,905,000	\$ -	\$ -	\$ 6,905,000	\$ 6,905,000	\$ -
-	4,251,808	-	-	4,251,808	4,429,800	177,992
-	387,497	-	-	387,497	2,000	(385,497)
<u>\$ -</u>	<u>\$ 11,544,305</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,544,305</u>	<u>\$ 11,336,800</u>	<u>\$ (207,505)</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230
SCHEDULE OF EXPENDITURES PAID ARISING FROM CASH TRANSACTIONS -
ACTUAL AND BUDGET
YEAR ENDED JUNE 30, 2008

	<u>Salaries</u>	<u>Employee Benefits</u>	<u>Purchased Services</u>	<u>Supplies and Materials</u>
FICA, Medicare/IMRF Fund:				
Instruction:				
Regular programs	\$ -	\$ 450,048	\$ -	\$ -
Special education programs	-	267,458	-	-
Vocational education programs	-	34,096	-	-
Interscholastic programs	-	80,545	-	-
Summer school programs	-	3,652	-	-
Truants' alternative and optional programs	-	3,954	-	-
Total instruction	-	839,753	-	-
Support services:				
Pupils:				
Attendance and social work services	-	158,763	-	-
Guidance services	-	92,086	-	-
Health services	-	18,273	-	-
Psychological services	-	1,395	-	-
Speech pathology and audiology services	-	3,496	-	-
Total pupils	-	274,013	-	-
Instructional staff:				
Improvement of instruction services	-	48,668	-	-
Educational media services	-	69,591	-	-
Total instructional staff	-	118,259	-	-
General administration:				
Board of Education services	-	-	-	-
Executive administration services	-	16,945	-	-
Special area administrative services	-	7,477	-	-
Total general administration	-	24,422	-	-
School administration:				
Office of the principal services	-	98,573	-	-
Other	-	106,354	-	-
Total school administration	-	204,927	-	-

<u>Capital Outlay</u>	<u>Other Objects</u>	<u>Transfers</u>	<u>Tuition</u>	<u>Totals</u>		<u>Variance - Positive (Negative)</u>
				<u>Actual</u>	<u>Budget</u>	
\$ -	\$ -	\$ -	\$ -	\$ 450,048	\$ 456,536	\$ 6,488
-	-	-	-	267,458	326,174	58,716
-	-	-	-	34,096	34,293	197
-	-	-	-	80,545	79,730	(815)
-	-	-	-	3,652	3,824	172
-	-	-	-	3,954	4,631	677
-	-	-	-	839,753	905,188	65,435
-	-	-	-	158,763	159,537	774
-	-	-	-	92,086	94,437	2,351
-	-	-	-	18,273	18,612	339
-	-	-	-	1,395	1,428	33
-	-	-	-	3,496	3,586	90
-	-	-	-	274,013	277,600	3,587
-	-	-	-	48,668	50,784	2,116
-	-	-	-	69,591	69,891	300
-	-	-	-	118,259	120,675	2,416
-	-	-	-	-	793	793
-	-	-	-	16,945	18,673	1,728
-	-	-	-	7,477	7,576	99
-	-	-	-	24,422	27,042	2,620
-	-	-	-	98,573	94,771	(3,802)
-	-	-	-	106,354	111,027	4,673
-	-	-	-	204,927	205,798	871

CONSOLIDATED HIGH SCHOOL DISTRICT 230
SCHEDULE OF EXPENDITURES PAID ARISING FROM CASH TRANSACTIONS -
ACTUAL AND BUDGET
YEAR ENDED JUNE 30, 2008

	<u>Salaries</u>	<u>Employee Benefits</u>	<u>Purchased Services</u>	<u>Supplies and Materials</u>
Business:				
Direction of business support services	-	2,104	-	-
Fiscal services	-	64,419	-	-
Operation and maintenance of plant services	-	77,289	-	-
Pupil transportation services	-	13,059	-	-
Food services	-	147,673	-	-
Internal services	-	9,005	-	-
Total business	-	313,549	-	-
Central:				
Information services	-	13,095	-	-
Staff services	-	45,141	-	-
Data processing services	-	64,816	-	-
Total central	-	123,052	-	-
Total support services	-	1,058,222	-	-
Community services	-	35,031	-	-
Total FICA, Medicare/ IMRF Fund	\$ -	\$ 1,933,006	\$ -	\$ -
Capital Projects Fund:				
Support services:				
Business:				
Facilities acquisition and construction services	\$ -	\$ -	\$ -	\$ -
Total expenditures	\$ 60,447,873	\$ 18,930,986	\$ 15,816,934	\$ 7,335,593

<u>Capital Outlay</u>	<u>Other Objects</u>	<u>Transfers</u>	<u>Tuition</u>	<u>Totals</u>		<u>Variance - Positive (Negative)</u>
				<u>Actual</u>	<u>Budget</u>	
-	-	-	-	2,104	2,122	18
-	-	-	-	64,419	64,589	170
-	-	-	-	77,289	79,054	1,765
-	-	-	-	13,059	12,910	(149)
-	-	-	-	147,673	139,128	(8,545)
-	-	-	-	9,005	9,732	727
-	-	-	-	313,549	307,535	(6,014)
-	-	-	-	13,095	13,433	338
-	-	-	-	45,141	46,491	1,350
-	-	-	-	64,816	71,097	6,281
-	-	-	-	123,052	131,021	7,969
-	-	-	-	1,058,222	1,069,671	11,449
-	-	-	-	35,031	36,291	1,260
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,933,006</u>	<u>\$ 2,011,150</u>	<u>\$ 78,144</u>
<u>\$ 2,963,947</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,963,947</u>	<u>\$ 2,720,000</u>	<u>\$ (243,947)</u>
<u>\$ 8,574,562</u>	<u>\$ 11,985,666</u>	<u>\$ -</u>	<u>\$ 6,875,140</u>	<u>\$129,966,754</u>	<u>\$131,744,382</u>	<u>\$ 1,777,628</u>

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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Superintendent of Schools and Board of Education
Consolidated High School District 230
Orland Park, Illinois

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

Compliance

We have audited the compliance of Consolidated High School District 230 with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2008. Consolidated High School District 230's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Consolidated High School District 230's management. Our responsibility is to express an opinion on Consolidated High School District 230's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Consolidated High School District 230's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Consolidated High School District 230's compliance with those requirements.

In our opinion, Consolidated High School District 230 complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

Internal Control over Compliance

The management of Consolidated High School District 230 is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Consolidated High School District 230's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Consolidated High School District 230's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Board of Education, the Illinois State Board of Education, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mulcahy, Paurtsch, Salvador & Co., Ltd.

**CONSOLIDATED HIGH SCHOOL DISTRICT 230
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2008**

Federal Grantor Pass-Through Grantor/ Program Title	Federal C.F.D.A. Number	Pass-Through Grantor's Number	Expenditures
U.S. Department of Education:			
Passed through Illinois State Board of Education:			
Title V - Innovative Programs - Formula	84.298	08-4100-00	\$ 39,366
Special Milk Program	10.556	07-4215-00	14,266
Special Milk Program	10.556	08-4215-00	71,219
Title IV - Safe and Drug Free Schools - Formula	84.186	08-4400-00	10,369
IDEA - Room & Board (M)	84.027	07-4625-00	101,857
IDEA - Room & Board (M)	84.027	08-4625-00	117,214
Title III - Language Inst. Programs	84.365	07-4909-00	8,872
Title II - Teacher Quality	84.367	08-4932-00	40,530
Technology - Enhancing Education - formula	84.318	08-4971-00	<u>1,699</u>
Total passed through Illinois State Board of Education			<u>405,392</u>
Passed through Moraine Area Career System:			
Perkins III Grant	84.243	08-4745-00	133,951
Federal Tech. - Prep	16.705	08-4770-00	<u>15,000</u>
Total passed through Moraine Area Career System			<u>148,951</u>
Passed through Southwest Cook County Cooperative Association for Special Education:			
IDEA Flow Through (M)	84.027	08-4620-00	<u>1,200,595</u>
Total U.S. Department of Education			<u>1,754,938</u>
U.S. Department of Health and Human Services passed through the Illinois Department of Healthcare and Family Services:			
Medical Assistance Program	93.778	07-4900-00	13,259
Medical Assistance Program	93.778	08-4900-00	<u>57,664</u>
Total U.S. Department of Health and Human Services			<u>70,923</u>
Total Schedule of Expenditures of Federal Awards			<u>\$ 1,825,861</u>

(M) - Major program

See notes to schedule of expenditures of federal awards.

CONSOLIDATED HIGH SCHOOL DISTRICT 230
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Consolidated High School District 230 (District) and is presented on the cash basis of accounting. The information presented in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

B. Relationship to Basic Financial Statements

Federal financial assistance received is reflected in the District's financial statements within the Educational Fund as grants-in-aid received from federal sources.

C. Non-Cash Assistance

Non-cash assistance amounted to zero.

D. Insurance in Effect

Insurance in effect amounted to zero.

E. Loan or Loan Guarantees

Loan or loan guarantees amounted to zero.

NOTE 2. SUBRECIPIENTS

The District provided no federal awards to subrecipients.

**CONSOLIDATED HIGH SCHOOL DISTRICT 230
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2008**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: UNQUALIFIED

Internal control over financial reporting:

- Material weaknesses identified? yes X no
- Significant deficiencies identified that are not considered to be material weaknesses? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

- Material weaknesses identified? yes X no
- Significant deficiencies identified that are not considered to be material weaknesses? yes X none reported

Type of auditor's report issued on compliance for major programs: UNQUALIFIED

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027	IDEA - FLOW THROUGH
84.027	IDEA - ROOM & BOARD

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? X yes no

CONSOLIDATED HIGH SCHOOL DISTRICT #230
14-016-2300-13
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ending June 30, 2008

SECTION II - FINANCIAL STATEMENT FINDINGS

1. FINDING NUMBER:¹¹ NIA 2. THIS FINDING IS: ☐ New ☐ Repeat from Prior Year?
Year originally reported? _____

3. Criteria or specific requirement

4. Condition

5. Context¹²

6. Effect

7. Cause

8. Recommendation

9. Management's response¹³

For SEE Review

Date

Initials

Resolution or Ref. Code Number

Disposal of Questioned Costs Code Letter

¹¹ A suggested format for assigning reference numbers is to use the last two digits of the fiscal year being audited followed by a numeric sequence of findings. For example, findings identified and reported in the audit of fiscal year 2003 would be assigned a reference number of 02-01, 02-02, etc.

¹² Provide sufficient information for judging the prevalence and consequences of the finding, such as relation to universe of costs and/or number of items examined and quantification of audit findings in dollars.

¹³ See paragraphs 5.18 through 5.20 and 7.38 through 7.42 of Government Auditing Standards for additional guidance on reporting management's response.

CONSOLIDATED HIGH SCHOOL DISTRICT #230
14-016-2300-13
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ending June 30, 2008

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

1. FINDING NUMBER: ¹⁴	<u>N/A</u>	2. THIS FINDING IS:	<input type="checkbox"/>	New	<input type="checkbox"/>	Repeat from Prior year?
Year originally reported? _____						
3. Federal Program Name and Year: _____						
4. Project No.: _____			5. CFDA No.: _____			
6. Passed Through: _____						
7. Federal Agency: _____						
8. Criteria or specific requirement (including statutory, regulatory, or other citation)						
9. Condition ¹⁵						
10. Questioned Costs ¹⁶						
11. Context ¹⁷						
12. Effect						
13. Cause						
14. Recommendation						
15. Management's response ¹⁸						

For SBE Review

Date:

Resolution Criteria Code Number:

Initials:

Disposition of Questioned Costs Code Letter:

¹⁴ See footnote 11.

¹⁵ Include facts that support the deficiency identified on the audit finding.

¹⁶ Identify questioned costs as required by sections 510(a)(3) and 510 (a) (4) of Circular A-133.

¹⁷ See footnote 12.

¹⁸ To the extent practical, indicate when management does not agree with the finding, questioned cost, or both.

CONSOLIDATED HIGH SCHOOL DISTRICT #230
14-016-2300-13
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS¹⁹
Year Ending June 30, 2008

Finding Number

Condition

Current Status²⁰

N/A

When possible, all prior findings should be on the same page

¹⁹ See the instructions in the Guide to Auditing and Reporting for Illinois Public Local Education Agencies for an explanation of this schedule.

²⁰ Current Status should include one of the following:

- A statement that corrective action was taken
- A description of any partial or planned corrective action
- An explanation if the corrective action taken was significantly different from that previously reported or in the management decision received from the pass-through entity.

CONSOLIDATED HIGH SCHOOL DISTRICT #230
14-016-2300-13
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS²¹
Year Ending June 30, 2008

Corrective Action Plan

Finding No.: N/A

Condition:

Plan:

Anticipated Date of Completion:

Name of Contact Person:

Management Response:

²¹ See the instructions in the Guide to Auditing and Reporting for Illinois Public Local Education Agencies for an explanation of this schedule.

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OTHER INFORMATION SECTION

CONSOLIDATED HIGH SCHOOL DISTRICT 230
SCHEDULE OF EQUALIZED ASSESSED VALUATIONS, RATES AND EXTENSIONS
LAST TEN YEARS
JUNE 30, 2008

Levy year (see note)	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Equalized assessed valuation	<u>\$ 4,851,584,384</u>	<u>\$ 4,742,748,032</u>	<u>\$ 3,980,323,488</u>	<u>\$ 3,781,637,521</u>	<u>\$ 3,723,013,534</u>
Tax rates per \$100:					
Education	1.3016 %	1.2479 %	1.4075 %	1.3775 %	1.2463 %
Tort immunity	0.0000	0.0212	0.0251	0.0893	0.1841
Building	0.2615	0.2496	0.2815	0.2755	0.2493
Life safety	0.0000	0.0000	0.0000	0.0000	0.0000
Special education	0.0175	0.0171	0.0192	0.0184	0.0166
Transportation	0.0780	0.0758	0.0855	0.0839	0.0759
Municipal retirement	0.0349	0.0339	0.0382	0.0373	0.0567
Bond and interest	0.2489	0.2515	0.2962	0.3102	0.2444
Working cash	<u>0.0426</u>	<u>0.0414</u>	<u>0.0467</u>	<u>0.0459</u>	<u>0.0415</u>
Total	<u>1.9850 %</u>	<u>1.9384 %</u>	<u>2.1999 %</u>	<u>2.2380 %</u>	<u>2.1148 %</u>
Tax extensions:					
Education	\$ 63,148,222	\$ 59,184,753	\$ 56,023,053	\$ 52,092,057	\$ 46,399,918
Tort immunity	0	1,005,463	999,061	3,377,002	6,854,068
Building	12,686,893	11,837,899	11,204,611	10,418,411	9,281,473
Life safety	0	0	0	0	0
Special education	849,027	811,010	764,222	695,821	618,020
Transportation	3,784,236	3,595,003	3,403,177	3,172,794	2,825,767
Municipal retirement	1,693,203	1,607,792	1,520,484	1,410,551	2,110,949
Bond and interest	12,075,594	11,928,011	11,789,718	11,730,640	9,099,045
Working cash	<u>2,066,775</u>	<u>1,963,498</u>	<u>1,858,811</u>	<u>1,735,772</u>	<u>1,545,051</u>
Total	<u>\$ 96,303,950</u>	<u>\$ 91,933,429</u>	<u>\$ 87,563,137</u>	<u>\$ 84,633,048</u>	<u>\$ 78,734,291</u>
Tax collections	<u>\$ 94,519,854</u>	<u>\$ 90,596,676</u>	<u>\$ 87,460,657</u>	<u>\$ 84,680,610</u>	<u>\$ 78,469,118</u>
Collections as a percentage of total extensions	<u>98.15 %</u>	<u>98.55 %</u>	<u>99.88 %</u>	<u>100.06 %</u>	<u>99.66 %</u>

Note: 2006 is the most current information available.

<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
<u>\$ 3,034,491,913</u>	<u>\$ 2,864,414,213</u>	<u>\$ 2,859,618,814</u>	<u>\$ 2,564,215,747</u>	<u>\$ 2,486,046,028</u>
1.4533 %	1.5000 %	1.3784 %	1.4888 %	1.5000 %
0.2278	0.2086	0.2322	0.1842	0.1618
0.2907	0.3000	0.2757	0.2975	0.3000
0.0000	0.0000	0.0000	0.0496	0.0500
0.0194	0.0200	0.0184	0.0198	0.0200
0.1163	0.1200	0.1103	0.1190	0.1200
0.0662	0.0216	0.0684	0.0767	0.0621
0.2940	0.3055	0.2998	0.3338	0.1235
<u>0.0484</u>	<u>0.0500</u>	<u>0.0459</u>	<u>0.0496</u>	<u>0.0500</u>
<u>2.5161 %</u>	<u>2.5257 %</u>	<u>2.4291 %</u>	<u>2.6190 %</u>	<u>2.3874 %</u>
\$ 44,100,271	\$ 42,966,213	\$ 39,416,986	\$ 38,176,044	\$ 37,290,690
6,912,573	5,975,168	6,640,035	4,723,285	4,022,422
8,821,268	8,593,243	7,883,969	7,628,542	7,458,138
0	0	0	1,271,851	1,243,023
588,691	572,883	526,170	507,715	497,209
3,529,114	3,437,297	3,154,160	3,051,417	2,983,255
2,008,834	618,713	1,955,979	1,966,753	1,543,835
8,921,406	8,750,785	8,573,137	8,559,352	3,070,267
<u>1,468,694</u>	<u>1,432,207</u>	<u>1,312,565</u>	<u>1,271,851</u>	<u>1,243,023</u>
<u>\$ 76,350,851</u>	<u>\$ 72,346,509</u>	<u>\$ 69,463,001</u>	<u>\$ 67,156,810</u>	<u>\$ 59,351,862</u>
<u>\$ 74,764,310</u>	<u>\$ 70,716,767</u>	<u>\$ 67,943,223</u>	<u>\$ 65,750,805</u>	<u>\$ 57,616,829</u>
<u>97.92 %</u>	<u>97.75 %</u>	<u>97.81 %</u>	<u>97.91 %</u>	<u>97.08 %</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230
SCHEDULE OF INSURANCE COVERAGE
JUNE 30, 2008

<u>Insurance Carrier</u>	<u>Coverage</u>	<u>Policy Term</u>	<u>Premium</u>
Selective Insurance Co.	Property and Casualty	12/31/07 - 12/30/08	\$ 58,483
Selective Insurance Co.	Auto Liability and Damage	12/31/07 - 12/31/08	23,586
Travelers	Boiler & Machinery	12/31/07 - 12/30/08	3,925
AIG	School Board Legal Liability	01/01/08 - 12/31/08	17,608
Various	Excess Liability	12/31/07 - 12/30/08	46,032
Prism Insurance Services	Workers Compensation	07/01/07 - 07/01/08	36,536
Prism Insurance Services	Treasurer Surety Bond	07/01/07 - 06/30/08	6,794
Selective Insurance Co.	General Liability	12/31/07 - 12/31/08	47,583

CONSOLIDATED HIGH SCHOOL DISTRICT 230
COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2008

Equalized assessed valuation - 2006 tax year		<u>\$ 4,851,584,384</u> *
Statutory debt limitation (6.9% of assessed valuation)		\$ 334,759,322
General obligation bonds payable	\$ 92,350,000	
General obligation debt certificates	945,000	
Note payable	<u>54,894</u>	
Total debt		<u>93,349,894</u>
Legal debt margin		<u>\$ 241,409,428</u>

* Most recent information available.

CONSOLIDATED HIGH SCHOOL DISTRICT 230
FINANCIAL STATISTICS PER PUPIL
YEAR ENDED JUNE 30, 2008

	<u>Actual</u>	<u>Per Pupil</u>
Revenues:		
Local sources	\$ 106,987,137	\$ 12,808
State sources	17,204,457	2,060
Federal sources	1,898,963	227
On behalf revenues	<u>7,121,050</u>	<u>853</u>
Total revenues	<u>133,211,607</u>	<u>15,948</u>
Expenditures:		
Instruction	59,234,597	7,091
Support services	45,165,231	5,407
Community services	593,489	71
Nonprogrammed charges	3,028,957	363
On behalf expenditures	7,121,050	853
Capital outlay	2,963,947	355
Debt service	<u>11,859,483</u>	<u>1,420</u>
Total expenditures	<u>129,966,754</u>	<u>15,560</u>
Excess of revenues over expenditures	<u>3,244,853</u>	<u>388</u>
Other financing sources (uses):		
Bond issuance	74,210,000	8,884
Payments made to escrow agent	(73,220,365)	(8,766)
Premium on bonds	2,715,658	325
Transfers in	800,000	96
Transfers out	<u>(800,000)</u>	<u>(96)</u>
Total other financing sources (uses)	<u>3,705,293</u>	<u>443</u>
Net change in fund balances	<u>\$ 6,950,146</u>	<u>\$ 831</u>
Average pupil attendance for the year ended June 30, 2008		<u>8,353</u>