

**Warren Township High School
District 121**

Annual Financial Report

Year Ended June 30, 2014

Warren Township High School District 121

ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2014

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1 - 4
Management's Discussion and Analysis	5 - 12
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position - Governmental Activities	13
Statement of Activities	14
Fund Financial Statements	
Balance Sheet - Governmental Funds	15 - 16
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	17
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	18 - 19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	20
Statement of Fiduciary Net Position	21
Statement of Changes in Fiduciary Net Position	22
Notes to the Financial Statements	23 - 52
Required Supplementary Information (Unaudited)	
Schedule of Funding Progress - Illinois Municipal Retirement Fund	53
Schedule of Funding Progress - Other Postemployment Benefits	54
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	55 - 65
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Operations and Maintenance Fund	66 - 68
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Transportation Fund	69 - 70
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Municipal Retirement/Social Security Fund	71 - 73
Notes to the Required Supplementary Information	74

(Continued)

Warren Township High School District 121

ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2014

TABLE OF CONTENTS

	<u>Page</u>
Supplementary Financial Information	
General Fund	
Combining Balance Sheet	75
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	76
Schedule of Revenues, Expenditures, and Changes in Fund Balances -	
Budget and Actual - Debt Service Fund	77 - 78
Schedule of Revenues, Expenditures, and Changes in Fund Balances -	
Budget and Actual - Capital Projects Fund	79 - 80
Statement of Changes in Assets and Liabilities -	
Agency Fund - Student Activity Funds	81 - 84
Other Supplemental Information (Unaudited)	
Operating Costs and Tuition Charge	85

(Concluded)

MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

The Members of the Board of Education
Warren Township High School District 121
Gurnee, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Warren Township High School District 121, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Warren Township High School District 121's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Warren Township High School District 121's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Warren Township High School District 121, as of June 30, 2014, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As discussed in Note R to the financial statements, net position as of July 1, 2013 has been restated due to an adjustment related to the implementation of GASB 65 by Warren Township High School District 121. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 12, the Illinois Municipal Retirement Fund historical data on page 53, the other postemployment benefits data on page 54, the budgetary comparison schedules on pages 54 through 73, and notes to required supplementary information on page 74 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit for the year ended June 30, 2014 was conducted for the purpose of forming opinions on the financial statements that collectively comprise Warren Township High School District 121's basic financial statements. The other schedules listed in the table of contents in the supplementary financial information and other supplemental information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Other Information (Continued)

The supplementary financial information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2014 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary financial information is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2014.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Warren Township High School District 121, as of and for the year ended June 30, 2013 (not presented herein), and have issued our report thereon dated November 19, 2013, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund, Debt Service Fund, and Fire Prevention and Safety Fund with comparative actual amounts for the year ended June 30, 2013, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2013 financial statements. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund, Debt Service Fund, and Fire Prevention and Safety Fund have been subjected to the auditing procedures applied in the audit of the 2013 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund, Debt Service Fund, and Fire Prevention and Safety Fund is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2013.

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

The Members of the Board of Education
Warren Township High School District 121
Gurnee, Illinois

(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 8, 2014 on our consideration of Warren Township High School District 121's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Warren Township High School District 121's internal control over financial reporting and compliance.

MILLER, COOPER & CO., LTD.



Certified Public Accountants

Deerfield, Illinois
October 8, 2014

Warren Township High School District 121

Management's Discussion and Analysis

For the Year Ended June 30, 2014

The discussion and analysis of Warren Township High School District 121's (the District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2014. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- The assets and deferred outflows of the District exceeded its liabilities and deferred inflows at June 30, 2014 by \$49,382,493 (net position).
- At June 30, 2014, the District reported combined ending fund balances of \$25,619,552, a decrease of \$4,794,261 in comparison with the prior year.
- At June 30, 2014, the unassigned fund balance for the General Fund was \$15,705,928, or 31% of the total General Fund expenditures.
- General revenues accounted for \$48,369,010, or 71% of total revenue. Program specific revenues in the form of charges for services, grants and contributions accounted for \$20,088,347 million, or 29% of total revenue.
- The District had \$66,885,049 in expenses related to governmental activities, of which \$20,088,347 were offset by program specific charges for services or grants and contributions. General revenues of \$48,369,010 million were adequate to provide for the remaining costs of these programs.

Overview of the Financial Statements

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

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

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

Warren Township High School District 121

Management's Discussion and Analysis

For the Year Ended June 30, 2014

Government-wide financial statements

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

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

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

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

Fund financial statements

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

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

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

Warren Township High School District 121

Management's Discussion and Analysis

For the Year Ended June 30, 2014

The District maintains seven governmental funds. These funds are: The General Fund (includes Educational, Tort Immunity and Judgment and Working Cash Accounts), Operations and Maintenance Fund, Transportation Fund, Municipal Retirement/Social Security Fund, Debt Service Fund, Capital Projects Fund, and Fire Prevention and Safety Fund, all of which are considered to be major funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for each fund.

The Governmental Accounting Standards Board (GASB) has issued Statement No. 65, *Items Previously Reported as Assets and Liabilities* (GASB 65), which was adopted by the District as of the fiscal year ended June 30, 2014. This Statement established accounting and financial reporting standards that reclassify, as deferred outflows or resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and other accounting guidance. The implementation of GASB 65 (Note A-2) required bond issuance costs to be expensed in the year incurred. As a result of this implementation, net position as of July 1, 2013 decreased by \$3,672,200. Please refer to the *Notes to the Financial Statements, Note A, Item 2 and Note R* for further information

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

Fiduciary (agency) funds are used to account for resources held for the benefit of parties outside the school district. These funds, including Student Activity and Private Purpose Trust Funds, are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs.

Notes to the financial statements

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

Other information

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

Warren Township High School District 121
Management's Discussion and Analysis
For the Year Ended June 30, 2014

Government-Wide Financial Analysis

Net position: The District's combined net position decreased by 4% to \$49,382,493 as a result of fiscal year 2014 operations (Table 1).

Table 1
Condensed Statement of Net Position

	<i>Governmental Activities <u>2014</u></i>	<i>Governmental Activities <u>2013</u></i>
Current and other assets	\$ 51,086,853	\$ 56,672,219
Capital assets	<u>111,045,021</u>	<u>108,601,925</u>
Total assets	162,131,874	168,946,344
Deferred outflow of resources	1,025,312	1,218,583
Long-term liabilities	87,981,535	91,394,193
Other liabilities	<u>2,902,758</u>	<u>4,940,737</u>
Total liabilities	90,884,293	96,334,930
Deferred inflow of resources	22,890,400	22,347,612
Net position:		
Net investment in capital assets	27,333,607	21,525,360
Restricted	9,537,538	7,936,761
Unrestricted	<u>12,511,348</u>	<u>18,348,064</u>
Total net position (as restated, see Note R)	<u>\$ 49,382,493</u>	<u>\$ 47,810,185</u>

Warren Township High School District 121
Management's Discussion and Analysis
For the Year Ended June 30, 2014

Changes in Net Position: Fiscal year 2014 revenue from governmental activities was \$68,457,357, with related expenses of \$66,885,049, resulting in a change in net position of \$1,572,308. (Table 2).

Table 2
Changes in Net Position

	<i>Governmental Activities <u>2014</u></i>	<i>Governmental Activities <u>2013</u></i>
Revenues:		
Program revenues:		
Charges for services	\$ 4,240,464	\$ 3,991,962
Operating and capital grants and contributions	15,847,883	21,820,183
General revenues:		
Taxes	45,966,758	44,707,997
General state aid	2,048,272	2,392,974
Other	<u>353,980</u>	<u>228,877</u>
Total revenues	<u>68,457,357</u>	<u>73,141,993</u>
Expenses:		
Instruction	39,210,919	37,591,284
Pupil and instructional services	5,787,592	5,817,608
Administration and business	5,232,113	4,669,846
Transportation	4,083,555	4,053,101
Operations and maintenance	3,986,169	3,920,002
Other	<u>8,584,701</u>	<u>12,339,169</u>
Total expenses	<u>66,885,049</u>	<u>68,391,010</u>
Increase (decrease) in net position	<u>\$ 1,572,308</u>	<u>\$ 4,750,983</u>

Warren Township High School District 121

Management's Discussion and Analysis

For the Year Ended June 30, 2014

Financial Analysis of the District's Funds

As the District closed the year, the District's governmental funds reported a combined fund balance of \$25,619,552, lower than last year's ending fund balance of \$30,413,813, or approximately (16)%.

The General Fund is the largest of the governmental funds. The fund balance at the beginning of the year was \$22,107,012. Actual total revenues were \$51,693,578; actual total expenditures were \$51,347,030 and other financing uses were (\$790,233). The net change in fund balance was (\$443,685); the fund balance at the end of the year was \$21,663,327.

The Operation and Maintenance Fund had a fund balance at the beginning of the year of \$2,275,295. Actual total revenues were \$4,427,990; actual total expenditures were \$5,743,352 and other financing uses were (\$601,460). The net change in fund balance was (\$1,916,822); the fund balance at the end of the year was \$358,473.

The Transportation Fund had a fund balance at the beginning of the year of \$1,263,522. Actual total revenues were \$2,803,679; actual total expenditures were \$3,764,433. The net change in fund balance was (\$960,754); the fund balance at the end of the year was \$302,768.

The Municipal Retirement/Social Security Fund had a fund balance at the beginning of the year of \$59,620. Actual total revenues were \$1,734,648; actual total expenditures were \$1,708,574. The net change in fund balance was \$26,074; the fund balance at the end of the year was \$85,694.

The Debt Service Fund had a fund balance at the beginning of the year of \$3,026,779. Actual total revenues were \$6,035,402; actual total expenditures were \$7,196,227. There was a transfer into the fund in the amount of \$175,698 from the General (Education) and \$961,762 from Operations and Maintenance Funds for payments on capital leases and debt certificates. The net change in fund balance was \$149,074; the fund balance at the end of the year was \$3,175,853.

The Capital Projects Fund had a fund balance at the beginning of the year of \$1,656,017. Actual total revenues were \$1,762,060; actual total expenditures were \$3,827,332 and an abatement into the fund of \$417,123 was made from the General (Working Cash) fund. The net change in fund balance was (\$1,648,148); the fund balance at the end of the year was \$7,869.

The Fire Prevention and Safety Fund experienced no net revenues or expenditures, which remained consistent with the prior year.

General Fund Budgetary Highlights

Actual revenues exceeded budgeted revenues by \$2,108,845 and actual expenditures exceeded budgeted expenditures by \$946,209. See pages 55-65 for additional detail on the General Fund budget.

Warren Township High School District 121
Management's Discussion and Analysis
For the Year Ended June 30, 2014

Capital Asset and Debt Administration

Capital assets

By the end of fiscal year 2014, the District had invested \$111,045,021 (net of depreciation) in a broad range of capital assets, including, buildings and building improvements, site improvements and equipment (Table 3). Additional detailed information on capital assets is in Note H to the financial statements.

Table 3		
Capital Assets (net of depreciation)		
	<i>Governmental Activities</i>	<i>Governmental Activities</i>
	<u>2014</u>	<u>2013</u>
Land	\$ 11,772,443	\$11,664,443
Construction in process	-	\$8,573,453
Buildings, and building improvements	94,248,224	83,030,296
Site improvements	4,137,224	4,252,040
Equipment	<u>887,130</u>	<u>1,081,693</u>
Total	<u>\$111,045,021</u>	<u>\$108,601,925</u>

Long-term debt

At year-end, the District had \$87,981,535 in outstanding general obligation bonds and other long-term liabilities (Table 4).

Table 4		
Outstanding Long-Term Liabilities		
	<u>2014</u>	<u>2013</u>
General obligation bonds	\$77,720,000	\$80,553,565
Debt certificates	5,819,000	6,523,000
Other	<u>4,442,535</u>	<u>4,317,628</u>
Total	<u>\$87,981,535</u>	<u>\$91,394,193</u>

Warren Township High School District 121
Management's Discussion and Analysis
For the Year Ended June 30, 2014

- The District continued to pay down its existing debt. Additional detailed information on long-term debt, pension obligations, and other postemployment retirement benefits are in Note J, Note F, and Note G to the financial statements.

Factors Bearing on the District's Future

The District will continue to monitor its concern about the level at which the State of Illinois will provide financial resources to the school district and the outcome of litigation of the changes to the Teachers' Retirement System benefits. Changes in the state income tax rate, a possible shift in pension costs to the districts and changes to how schools are funded, if enacted could have a significant negative effect to the District.

Requests for Information

This financial report is designed to provide the District's citizens, taxpayers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact the Business Office: Warren Township High School District 121, 34090 N. Almond Road, Gurnee, Illinois 60031.

BASIC FINANCIAL STATEMENTS

Warren Township High School District 121
 STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
June 30, 2014

ASSETS

Cash and investments	\$	21,804,836
Restricted cash		5,819,000
Receivables (net of allowance for uncollectibles):		
Property taxes		22,374,810
Intergovernmental		745,503
Prepaid items		65,756
Other current assets		276,948
Capital assets:		
Land		11,772,443
Depreciable buildings, property, and equipment, net		<u>99,272,578</u>
 Total assets		 <u>162,131,874</u>

DEFERRED OUTFLOW OF RESOURCES

Deferred loss on refunding of bonds		<u>1,025,312</u>
 Total deferred outflows		 <u>1,025,312</u>

LIABILITIES

Accounts payable		876,888
Salaries and wages payable		71,702
Payroll deductions payable		441,590
Other current liabilities		1,186,721
Interest payable		325,857
Long-term liabilities:		
Due within one year		6,425,543
Due after one year		<u>81,555,992</u>
 Total liabilities		 <u>90,884,293</u>

DEFERRED INFLOW OF RESOURCES

Unavailable property tax revenue		<u>22,890,400</u>
 Total deferred inflows		 <u>22,890,400</u>

NET POSITION

Net investment in capital assets		27,333,607
Restricted For:		
Operations and maintenance		358,473
Debt service		8,668,996
Student transportation		302,768
Retirement benefits		85,694
Capital projects		33,437
Tort immunity		88,170
Unrestricted		<u>12,511,348</u>
 Total net position		 <u>\$ 49,382,493</u>

The accompanying notes are an integral part of this statement.

Warren Township High School District 121

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2014

Functions / Programs	Expenses	PROGRAM REVENUES		Net (Expenses) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities				
Instruction:				
Regular programs	\$ 18,192,078	\$ 2,195,350	\$ 287,935	\$ (15,708,793)
Special programs	7,965,760	-	2,757,765	(5,207,995)
Other instructional programs	4,160,377	270,942	558,778	(3,330,657)
State retirement contributions	8,892,704	-	8,892,704	-
Support services:				
Pupils	2,977,420	-	-	(2,977,420)
Instructional staff	2,810,172	-	1,863,708	(946,464)
General administration	1,326,242	-	-	(1,326,242)
School administration	1,925,026	-	-	(1,925,026)
Business	1,980,845	1,414,255	15,681	(550,909)
Transportation	4,083,555	247,503	1,471,312	(2,364,740)
Operations and maintenance	3,986,169	112,414	-	(3,873,755)
Central	104,205	-	-	(104,205)
Other supporting services	28,181	-	-	(28,181)
Community services	4,324	-	-	(4,324)
Nonprogrammed charges -				
excluding special education	1,999,053	-	-	(1,999,053)
Interest and fees	2,781,782	-	-	(2,781,782)
Unallocated depreciation	3,667,156	-	-	(3,667,156)
Total governmental activities	\$ 66,885,049	\$ 4,240,464	\$ 15,847,883	\$ (46,796,702)
General revenues:				
Taxes:				
Real estate taxes, levied for general purposes				32,340,270
Real estate taxes, levied for specific purposes				6,811,911
Real estate taxes, levied for debt service				6,035,397
Personal property replacement taxes				779,180
State aid-formula grants				2,048,272
Investment earnings				12,457
Miscellaneous				341,523
Total general revenues				48,369,010
Change in net position				1,572,308
Net position, beginning of year - as restated (See Note R)				47,810,185
Net position, end of year				\$ 49,382,493

The accompanying notes are an integral part of this statement.

Warren Township High School District 121

Governmental Funds

BALANCE SHEET

June 30, 2014

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.
ASSETS				
Cash and investments	\$ 16,423,958	\$ 1,705,534	\$ 405,005	\$ -
Restricted cash	5,819,000	-	-	-
Receivables (net of allowance for uncollectibles):				
Property taxes	16,907,281	1,317,815	467,310	691,619
Intergovernmental	503,213	-	110,022	132,268
Loan to other funds	129,745	-	-	-
Prepaid Items	65,756	-	-	-
Other current assets	<u>23,590</u>	<u>-</u>	<u>-</u>	<u>209,755</u>
Total assets	<u>\$ 39,872,543</u>	<u>\$ 3,023,349</u>	<u>\$ 982,337</u>	<u>\$ 1,033,642</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 484,095	\$ 182,825	\$ 124,999	\$ 84,969
Salaries and wages payable	31,999	2,645	31,142	5,916
Payroll deductions payable	396,241	-	45,349	-
Other current liabilities	-	1,131,225	-	55,496
Loan from educational fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>94,011</u>
Total liabilities	<u>912,335</u>	<u>1,316,695</u>	<u>201,490</u>	<u>240,392</u>
DEFERRED INFLOWS				
Unavailable property taxes	<u>17,296,881</u>	<u>1,348,181</u>	<u>478,079</u>	<u>707,556</u>
Total deferred inflows	<u>17,296,881</u>	<u>1,348,181</u>	<u>478,079</u>	<u>707,556</u>
FUND BALANCES				
Nonspendable	65,756	-	-	-
Restricted	5,890,643	358,473	302,768	85,694
Unassigned	<u>15,706,928</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>21,663,327</u>	<u>358,473</u>	<u>302,768</u>	<u>85,694</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 39,872,543</u>	<u>\$ 3,023,349</u>	<u>\$ 982,337</u>	<u>\$ 1,033,642</u>

The accompanying notes are an integral part of this statement.

Debt Service	Capital Projects	Fire Prevention and Safety	Total
\$ 3,244,771	\$ -	\$ 25,568	\$ 21,804,836
-	-	-	5,819,000
2,990,785	-	-	22,374,810
-	-	-	745,503
-	-	-	129,745
-	-	-	65,756
-	43,603	-	276,948
<u>\$ 6,235,556</u>	<u>\$ 43,603</u>	<u>\$ 25,568</u>	<u>\$ 51,216,598</u>
\$ -	\$ -	\$ -	\$ 876,888
-	-	-	71,702
-	-	-	441,590
-	-	-	1,186,721
-	35,734	-	129,745
-	35,734	-	2,706,646
<u>3,059,703</u>	<u>-</u>	<u>-</u>	<u>22,890,400</u>
<u>3,059,703</u>	<u>-</u>	<u>-</u>	<u>22,890,400</u>
-	-	-	65,756
3,175,853	7,869	25,568	9,846,868
-	-	-	15,706,928
<u>3,175,853</u>	<u>7,869</u>	<u>25,568</u>	<u>25,619,552</u>
<u>\$ 6,235,556</u>	<u>\$ 43,603</u>	<u>\$ 25,568</u>	<u>\$ 51,216,598</u>

Warren Township High School District 121
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
For the Year Ended June 30, 2014

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

Total fund balances-governmental funds	\$ 25,619,552
Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds balance sheet.	111,045,021
Deferred charges included in the statement of net position are not available to pay for current period expenditures and, accordingly, are not included in the governmental funds balance sheet.	1,025,312
Interest payable included in the statement of net position is not related to a current period expenditure and, therefore, is not included in the governmental funds balance sheet.	(325,857)
Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not reported in the governmental funds balance sheet.	<u>(87,981,535)</u>
Net position - governmental activities	<u><u>\$ 49,382,493</u></u>

The accompanying notes are an integral part of this statement.

Warren Township High School District 121

Governmental Funds

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2014

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.
Revenues				
Property taxes	\$ 32,790,851	\$ 4,159,698	\$ 991,203	\$ 1,210,429
Replacement taxes	387,803	-	-	391,377
State aid	13,240,456	-	1,564,944	-
Federal aid	1,391,506	-	-	-
Interest	12,123	-	-	-
Other	<u>3,870,839</u>	<u>268,292</u>	<u>247,532</u>	<u>132,842</u>
Total revenues	<u>51,693,578</u>	<u>4,427,990</u>	<u>2,803,679</u>	<u>1,734,648</u>
Expenditures				
Current:				
Instruction:				
Regular programs	18,090,712	-	-	270,538
Special programs	7,260,808	-	-	253,381
Other instructional programs	3,750,650	-	-	74,397
State retirement contributions	8,892,704	-	-	-
Support services:				
Pupils	2,837,100	-	-	150,836
Instructional staff	2,630,051	-	-	180,121
General administration	1,305,637	-	-	20,605
School administration	1,882,201	-	-	42,825
Business	1,850,110	-	-	78,683
Transportation	-	-	3,724,491	344,233
Operations and maintenance	-	3,839,807	-	146,362
Central	88,879	-	-	15,326
Other supporting services	28,181	-	-	-
Community services	4,266	-	-	58
Nonprogrammed charges	2,138,578	180,837	-	131,209
Debt service:				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	<u>587,153</u>	<u>1,722,708</u>	<u>39,942</u>	<u>-</u>
Total expenditures	<u>51,347,030</u>	<u>5,743,352</u>	<u>3,764,433</u>	<u>1,708,574</u>
Excess (deficiency) of revenues over expenditures	346,548	(1,315,362)	(960,754)	26,074
Other financing sources (uses)				
Transfers in	133,000	536,000	-	-
Transfers (out)	(1,258,563)	(1,137,460)	-	-
Proceeds from capital leases	<u>335,330</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(790,233)</u>	<u>(601,460)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(443,685)	(1,916,822)	(960,754)	26,074
Fund balance, beginning of year	<u>22,107,012</u>	<u>2,275,295</u>	<u>1,263,522</u>	<u>59,620</u>
Fund balance, end of year	<u>\$ 21,663,327</u>	<u>\$ 358,473</u>	<u>\$ 302,768</u>	<u>\$ 85,694</u>

The accompanying notes are an integral part of this statement.

Debt Service	Capital Projects	Fire Prevention and Safety	Total
\$ 6,035,397	\$ -	\$ -	\$ 45,187,578
-	-	-	779,180
-	1,699,249	-	16,504,649
-	-	-	1,391,506
5	329	-	12,457
-	<u>62,482</u>	-	<u>4,581,987</u>
<u>6,035,402</u>	<u>1,762,060</u>	-	<u>68,457,357</u>
-	-	-	18,361,250
-	-	-	7,514,189
-	-	-	3,825,047
-	-	-	8,892,704
-	-	-	2,987,936
-	-	-	2,810,172
-	-	-	1,326,242
-	-	-	1,925,026
-	-	-	1,928,793
-	-	-	4,068,724
-	-	-	3,986,169
-	-	-	104,205
-	-	-	28,181
-	-	-	4,324
-	-	-	2,450,624
3,652,183	-	-	3,652,183
3,544,044	-	-	3,544,044
-	<u>3,827,332</u>	-	<u>6,177,135</u>
<u>7,196,227</u>	<u>3,827,332</u>	-	<u>73,586,948</u>
(1,160,825)	(2,065,272)	-	(5,129,591)
1,309,899	417,124	-	2,396,023
-	-	-	(2,396,023)
-	-	-	<u>335,330</u>
<u>1,309,899</u>	<u>417,124</u>	-	<u>335,330</u>
149,074	(1,648,148)	-	(4,794,261)
<u>3,026,779</u>	<u>1,656,017</u>	<u>25,568</u>	<u>30,413,813</u>
<u>\$ 3,175,853</u>	<u>\$ 7,869</u>	<u>\$ 25,568</u>	<u>\$ 25,619,552</u>

Warren Township High School District 121

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

For the Year Ended June 30, 2014

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

Net change in fund balances - total governmental funds	\$ (4,794,261)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation expense and loss on disposal in the current period.	2,443,096
Other assets are not available to pay for current period expenditures and are not receivable in the governmental funds.	(193,271)
Accrued interest reported in the statement of activities does not require the use of current financial resources, and, therefore, is not reported as an expenditure in the governmental funds.	704,086
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds.	<u>3,412,658</u>
Change in net position - governmental activities	<u>\$ 1,572,308</u>

The accompanying notes are an integral part of this statement.

Warren Township High School District 121

Fiduciary Funds

STATEMENT OF FIDUCIARY NET POSITION

June 30, 2014

	Agency Fund	Private Purpose Trust Fund
<hr/>		
ASSETS		
Cash and investments	\$ 503,334	\$ 26,147
LIABILITIES		
Due to student groups	503,334	-
NET POSITION HELD IN TRUST FOR EXTERNAL PARTIES	\$ -	\$ 26,147

The accompanying notes are an integral part of this statement.

Warren Township High School District 121
 Fiduciary Funds - Private Purpose Trust Fund
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
June 30, 2014

	Private Purpose Trust Fund
<hr/>	
ADDITIONS	
Contributions by external parties	<u>\$ 13,367</u>
Total additions	13,367
DEDUCTIONS	
Scholarships paid	<u>16,730</u>
Change in net position	(3,363)
Net position, beginning of year	<u>29,510</u>
Net position, end of year	<u>\$ 26,147</u>

The accompanying notes are an integral part of this statement.

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Warren Township High School District 121 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units, hereinafter referred to as generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

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

1. Reporting Entity

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

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

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

2. New Accounting Pronouncement

The Governmental Accounting Standards Board (GASB) has issued Statement No. 65, *Items Previously Reported as Assets and Liabilities* (GASB 65), which was implemented by the District during the fiscal year ended June 30, 2014. This Statement established accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in limiting the use of the term deferred in financial statement presentations.

Specific changes to the District's financial statements relate to the following: unearned and unavailable property taxes and bond issuance costs. Deferred property taxes are now reported as a deferred inflow of unavailable revenue rather than a liability. That reclassification for reporting purposes had no impact on the net position of the District. Bond issuances costs are no longer considered an asset and are expensed in the year the costs are incurred. See Note Q for the effect of this restatement.

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Fund Accounting

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

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

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

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

4. Government-Wide and Fund Financial Statements

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

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

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

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

a. General Fund

The *General Fund* includes the Educational Account, the Working Cash Account, and the Tort Immunity and Judgment Account. The Educational Account is the District's primary operating account. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Working Cash Account is for the financial resources, held by the District, to be used as temporary interfund loans for working capital requirements. Money loaned by the Working Cash Account to other funds must be repaid within one year. As allowed by the School Code of Illinois, this Fund may be permanently abolished and become part of the Educational Account or it may be partially abated to any fund in need, as long as the District maintains a balance in the Working Cash Account of at least .05% of the District's current Equalized Assessed Valuation. The Tort Immunity and Judgment Account is used to account for revenues derived from a specific property tax levy and state reimbursement grants and expenditures of these monies is for risk management activities.

b. Special Revenue Funds

The special revenue funds are used to account for and report the proceeds of specific revenue sources (other than those accounted for in the Debt Service, Capital Projects, or Fiduciary Funds) that are legally restricted to expenditures for specified purposes.

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

Operations and Maintenance Fund - accounts for all revenues and expenditures made for operations, repair, and maintenance of the District's building and land. Revenues consist primarily of local property taxes.

Transportation Fund - accounts for all revenue and expenditures made for student transportation. Revenues are derived primarily from local property taxes and state reimbursement grants.

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

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

c. Debt Service Fund

Debt Service Fund - accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The primary revenue sources are local property taxes levied specifically for debt service and transfers from other funds.

d. Capital Projects Funds

Capital Projects Fund - accounts for financial resources to be used for the acquisition or construction of major capital facilities. Revenues are derived from bond proceeds or transfers from other funds.

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

e. Fiduciary Funds

The Fiduciary (Agency) Funds account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, or other governments.

The Agency Funds - includes the Student Activity Funds. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations. These Funds account for assets held by the District which are owned, operated, and managed generally by the student body, under the guidance and direction of adults or a staff member, for educational, recreational, or cultural purposes. They account for activities such as student yearbook, student clubs and council.

The Private Purpose Trust Fund - is accounted for on the flow of economic resources measurement focus and uses the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The Private Purpose Trust Fund accounts for scholarship and memorial trust funds, the principal of which may not be spent.

5. Fund Balance

In the fund financial statements, governmental funds report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

Warren Township High School District 121
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Fund Balance (Continued)

- a. *Nonspendable* - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The nonspendable in form criteria includes items that are not expected to be converted to cash, such as prepaid items or inventories.
- b. *Restricted* - refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, laws and regulations of other governments, or imposed by law through enabling legislation. Special revenue funds are by definition restricted for those specified purposes.
- c. *Committed* - refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority (the Board of Education). The Board of Education commits fund balances by passing a resolution. Amounts committed cannot be used for any purpose unless the District removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds. At June 30, 2014 the District had no committed fund balances.
- d. *Assigned* - refers to amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted or committed. Intent may be expressed by the Board of Education or the individual the Board of Education delegates the authority to assign amounts to be used for specific purposes. The Board of Education delegated this authority to the Assistant Superintendent of Business Services and Operations. At June 30, 2014 the District had no assigned fund balances.
- e. *Unassigned* - refers to all spendable amounts not contained in the other four classifications described above. In funds other than the General Fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

Governmental fund balances reported on the fund financial statements at June 30, 2014 are as follows:

The portion of the 2013 property tax levy not received by June 30 is recorded as a receivable. The net receivable collected within the current year or due and expected to be collected soon enough thereafter to be used to pay liabilities of the current period, up to 50 percent of the 2013 property tax levy, are recognized as revenue. Net taxes receivable plus any excess collections over 50 percent of the 2013 property tax levy is reflected as deferred revenues.

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers property tax revenues and most other revenues susceptible to accrual if they are collected within 60 days of the end of the current fiscal period. Revenues that are paid to the District by the Illinois State Board of Education are considered available if vouchered by year-end. Expenditures are recorded when the related liability is incurred, except for unmatured principal and interest on general long-term debt, which is recognized when due, and certain compensated absences, claims, and judgments, which recognized when the obligations are expected to be liquidated with expendable available financial resources.

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

The District reports unearned/unavailable revenue on its financial statements. Unearned revenue arises when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned/unavailable revenues also arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned/unavailable revenue is removed from the balance sheet and revenue is recognized.

7. Deferred Outflows / Deferred Inflows

In addition to assets, the statement of net position and the governmental funds balance sheet may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net position / fund balance that applies to a future period(s). At June 30, 2014, the District has deferred outflows of resources associated with a loss on refunding of bonds in prior years. In addition to liabilities, the District may report deferred inflows of resources. Deferred inflows of resources represent the acquisition of resources that is applicable to a future reporting period(s). At June 30, 2014, the District's unavailable property taxes are reported as deferred inflows of resources.

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. Budgetary Data

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted at the fund level for the governmental funds. The annual budget is legally enacted and provides for a legal level of control at the fund level. All annual budgets lapse at fiscal year-end.

9. Deposits and Investments

Investments are stated at fair value. Due to the nature of the District's investments, fair value equals cost. No amortization is made to interest income for discounted federal securities. Gains and losses on the sale of investments are recorded as interest income at the date of sale or maturity.

10. Personal Property Replacement Taxes

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

11. Capital Assets

Capital assets, which include land, buildings and building improvements, site improvements and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$6,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated fair 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 assets' lives are not capitalized.

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

<u>Assets</u>	<u>Years</u>
Buildings and building improvements	20 - 50
Site improvements	20
Equipment	5 - 20

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Accumulated Unpaid Vacation and Sick Pay

Vacation benefits are granted to employees in varying amounts to specified maximums depending on tenure with the District. Vacation is required to be used by June 30 and there is no allowance for carryover. Sick leave is accumulated from year to year without limit and 240 days can be turned over to the Illinois Municipal Retirement Fund (IMRF) or the Teachers' Retirement System (TRS), respectively, for credit. Unused sick days beyond the IMRF and TRS credit thresholds are paid out by the District at \$15 and \$30 per day for IMRF or TRS, respectively. Due to the nature of the policies on sick leave, and the fact that any liability is contingent upon future events and cannot be reasonably estimated, no liability is provided in the financial statements for accumulated unpaid sick leave.

13. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts and losses on refunding of bonds are deferred and amortized over the life of the applicable bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount or loss on refunding. Bond issuance costs are expensed in the period incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, losses on refunding, and bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance cost and losses on refunding are reported as debt service expenditures.

14. Use of Estimates

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

15. Restricted Net Position

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

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

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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

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

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

General obligation bonds	\$ (77,720,000)
Debt certificates	(5,819,000)
Capital lease	(172,414)
Other postemployment benefits	(1,514,860)
Bond premiums, net of amortization	(2,826,813)
Bond discounts, net of amortization	<u>71,552</u>
Net adjustment to reduce total fund balances - governmental funds to arrive at net position - governmental activities	<u>\$ (87,981,535)</u>

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

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

Capital outlay	\$ 6,129,018
Depreciation expense	<u>(3,685,922)</u>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position - governmental activities	<u>\$ 2,443,096</u>

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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

(Continued)

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

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

Principal repayments	
General obligation bonds	\$ 2,833,565
Debt certificates	704,000
Capital lease	162,916
Termination benefits	10,516
Bond premium amortization	207,252
Bond discount amortization	(4,103)
Issuance of long-term liabilities	
Capital lease	(335,330)
Other postemployment benefits	<u>(166,158)</u>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position - governmental activities.	\$ <u><u>3,412,658</u></u>

NOTE C - DEPOSITS AND INVESTMENTS

The District's investment policy is in line with State Statutes. The investments that the District may purchase are limited by Illinois law to the following: (1) securities that are fully guaranteed by the U.S. government as to principal and interest; (2) certain U.S. government agency securities; (3) interest-bearing savings accounts, interest-bearing certificates of deposit or time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act; (4) short-term discount obligations of corporations organized in the United States with assets exceeding \$500,000,000; (5) interest-bearing bonds of any county, township, city, village, incorporated town, municipal corporation or school district; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds; and (8) money market mutual funds and certain other instruments.

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

At June 30, 2014, the District's cash and investments consisted of the following:

	<u>Government- wide</u>	<u>Fiduciary</u>	<u>Total</u>
Cash and investments	\$ 27,623,836	\$ 529,481	\$ 28,153,317

Of the total cash and investments, \$5,819,000 is restricted by the provisions of the debt certificates agreements. For disclosure purposes, this amount is segregated into three components: 1) cash on hand; 2) deposits with financial institutions, which include amounts held in demand accounts, savings accounts, and nonnegotiable certificates of deposit; and 3) investments in Illinois School District Liquid Asset Money Market Fund, as follows:

	<u>Total</u>
Cash on hand	\$ 9,663
Deposits with financial institutions	16,816,535
Illinois School District Liquid Asset Fund Plus	<u>11,327,119</u>
	<u>\$ 28,153,317</u>

1. Interest Rate Risk

The District's investment policy seeks to ensure preservation of capital in the District's overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. The policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the policy requires the District's investment portfolio to be sufficiently liquid to enable the District to meet all operating requirements as they come due. A portion of the portfolio is required to be invested in readily available funds to ensure appropriate liquidity.

2. Credit Risk

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

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

3. Custodial Credit Risk

With respect to deposits, custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. At June 30, 2014, the bank balances of the District's deposits with financial institutions total \$17,578,536, and the District had no uninsured cash balances.

NOTE D - DUE FROM EMPLOYEES

In an effort to encourage its teachers to improve their computer knowledge, the District sponsors a program in which employees can purchase computers for their personal/home use. The District purchases a computer for each employee who signs up for the program, and the employee is required to repay the District, interest free, through payroll withholdings over a two year period. At June 30, 2014 a total of \$12,390 is due to the District.

NOTE E - PROPERTY TAXES RECEIVABLE

The District must file its tax levy resolution by the last Tuesday in December of each year. The tax levy resolution was approved by the Board on December 17, 2013. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that tax year. The owner of real property on January 1 (the lien date) in any year is liable for taxes of that year. The District's annual property tax levy is subject to two statutory limitations: individual fund rate ceilings and the Property Tax Extension Limitation Act (PTELA).

The County Clerk adds the Equalized Assessed Valuation of all real property in the District to the valuation of property assessed directly by the state (to which the Equalization Factor is not applied) to arrive at the base amount (the Assessment Base) used to calculate the annual tax rates, as described above. The Equalized Assessed Valuation for the extension for the 2013 tax levy was \$1,912,314,091.

Property taxes are collected by the Lake County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two equal installments: the first due on June 1 and the second due on September 1. Property taxes are normally collected by the District within 60 days of the respective installment dates.

The portion of the 2013 property tax levy not received by June 30 is recorded as a receivable. The net receivable collected within the current year or due and expected to be collected soon enough thereafter to be used to pay liabilities of the current period, up to 50 percent of the 2013 property tax levy, are recognized as revenue. Net taxes receivable plus any excess collections over 50 percent of the 2013 property tax levy is reflected as unavailable revenues.

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE F - RETIREMENT FUND COMMITMENTS

1. Teachers' Retirement System of the State of Illinois

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

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

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

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, 2014, state of Illinois contributions were based on 35.41 percent of creditable earnings not paid from federal funds, and the District recognized revenue and expenditures of \$8,654,102 in pension contributions that the state of Illinois paid directly to TRS. For the years ended June 30, 2013 and June 30, 2012, the state of Illinois contribution rates as percentages of creditable earnings not paid from federal funds were 28.05 percent, \$6,655,351, and 24.91 percent, \$5,702,753, respectively.

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

2.2 Formula Contributions

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2014 were \$142,669. Contributions for the years ending June 30, 2013 and June 30, 2012 were \$138,235 and \$133,239, respectively.

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE F - RETIREMENT FUND COMMITMENTS (Continued)

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

Federal and Special Trust Fund Contributions

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

For the year ended June 30, 2014, the employer pension contribution was 35.41 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2013 and 2012, the employer contribution was 28.05 and 24.91 percent, respectively, of salaries paid from federal and special trust funds. For the year ended June 30, 2014, salaries totaling \$158,417 were paid from federal and special trust funds that required employer contributions of \$56,095. For the years ended June 30, 2013 and June 30, 2012, required District contributions were \$29,962 and \$19,624, respectively.

Early Retirement Option (ERO)

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

The maximum employer ERO contribution under the current program is 146.5 percent and applies when the member is age 55 at retirement.

For the year ended June 30, 2014, the District paid \$0 to TRS for employer contributions under the ERO program. For the years ended June 30, 2013 and June 30, 2012, the District paid \$0 and \$90,394, respectively, in employer ERO contributions.

Warren Township High School District 121
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2014

NOTE F - RETIREMENT FUND COMMITMENTS (Continued)

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

Salary Increases Over 6 Percent and Excess Sick Leave

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

For the year ended June 30, 2014, the District paid \$23,362 to TRS for employer contributions due on salary increases in excess of 6 percent. For the years ended June 30, 2013 and June 30, 2012, the District paid \$4,987 and \$76, respectively, to TRS for employer contributions due on salary increases in excess of 6 percent.

If the District 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 rate reported by the granting employer during a four-year sick leave review period, and the TRS total normal cost rate (17.29 percent of salary during the year ended June 30, 2014).

For the year ended June 30, 2014, the District paid \$0 to TRS for sick leave days granted in excess of the normal annual allotment. For the years ended June 30, 2013 and June 30, 2012, the District paid \$52,420 and \$0, respectively, in employer contributions granted for sick leave days.

Further Information on TRS

TRS financial information, an explanation of TRS benefits, and descriptions of member, employer, and state funding requirements can be found in the TRS Comprehensive Annual Financial Report for the year ended June 30, 2013. The report for the year ended June 30, 2014 is expected to be available in late 2014.

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

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE F - RETIREMENT FUND COMMITMENTS (Continued)

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

THIS Fund Employer Contributions

The District participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit postemployment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but it 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. Beginning February 1, 2014, annuitants who were enrolled in Medicare Parts A and B may be eligible to enroll in Medicare Advantage plans.

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

The percentage of employer-required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year.

On-behalf Contributions to the THIS Fund

The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members, which were 0.97 percent of pay during the year ended June 30, 2014. State of Illinois contributions were \$238,602, and the District recognized revenue and expenditures of this amount during the year.

State contributions intended to match active member contributions during the years ended June 30, 2013 and June 30, 2012 were 0.92 and 0.88 percent of pay, respectively. State contributions on behalf of District employees were \$219,295 and \$202,155, respectively.

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE F - RETIREMENT FUND COMMITMENTS (Continued)

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

Employer Contributions to the THIS Fund

The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.72 percent during the year ended June 30, 2014 and 0.69 and 0.66 percent during the years ended June 30, 2013 and June 30, 2012, respectively. For the year ended June 30, 2014, the District paid \$177,107 to the THIS Fund. For the years ended June 30, 2013 and June 30, 2012, the District paid \$164,471 and \$151,617, respectively, to the THIS Fund, which was 100 percent of the required contribution.

Further Information on the THIS Fund

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

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 state statute, the District's regular plan members are required to contribute 4.5 percent of their annual covered salary. The statute requires the District to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District annual required contribution rate for calendar year 2013 was 12.84 percent. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by state statute.

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE F - RETIREMENT FUND COMMITMENTS (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Annual Pension Cost

Information related to the employer's contributions are on a fiscal year basis. The actuarial and trend information are on a calendar basis as that is the year used by the IMRF. The required contribution for the fiscal year 2014 was \$751,438.

Trend Information			
Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
06/30/14	\$ 751,438	100%	\$ -
06/30/13	700,997	100%	-
06/30/12	664,073	100%	-

The required contribution for 2013 was determined as part of the December 31, 2011 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2011 included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 10 percent per year depending on age and service, attributable to seniority/merit, and (d) postretirement benefit increases of 3 percent annually. The actuarial value of the District's regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20 percent corridor between the actuarial value and market value of assets. The District's regular plan's unfunded actuarial accrued liability at December 31, 2011 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded Status and Funding Progress

As of December 31, 2013, the most recent actuarial valuation date, the regular plan was 67.81 percent funded. The actuarial accrued liability for benefits was \$11,795,756 and the actuarial value of assets was \$7,998,253, resulting in an underfunded actuarial accrued liability (UAAL) of \$3,797,503. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was \$5,644,392 and the ratio of the UAAL to the covered payroll was 67 percent.

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

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE F - RETIREMENT FUND COMMITMENTS (Continued)

3. Social Security/Medicare

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

NOTE G - OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The District provides post-employment benefits other than pensions to employees who retire directly from the District and who meet certain criteria. The Plan, a single-employer defined benefit plan, provides medical, prescription drug, dental, and vision insurance benefits to retirees. Participants in the plan must contribute 100% of the premium level to participate in the plan. Premiums are based on expected experience for active and retiree populations. Retirees are eligible to continue coverage for life. To be eligible, the employee must be enrolled in the active medical plan immediately prior to retiring and not be enrolled in the TRS medical plan. Teachers are given the choice to select COBRA coverage upon retirement or receive a \$10,000 cash payment from the District. If the participant is not a teacher, he or she become eligible to retire and receive medical coverage as of 55 years of age and eight years of service.

Funding Policy

The required contribution is based on a projected pay-as-you-go financing requirement.

Annual OPEB Cost and Net OPEB Obligation

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

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Annual OPEB Cost and Net OPEB Obligation (Continued)

		<u>June 30, 2014</u>
Annual required contribution	\$	229,742
Interest on net OPEB obligation		40,655
Amortization of net OPEB obligation		<u>(58,778)</u>
Annual OPEB cost	\$	211,619
Contributions made		<u>(45,461)</u>
Increase in net OPEB obligation		166,158
Net OPEB obligation beginning of year		<u>1,348,702</u>
Net OPEB obligation end of year	\$	<u><u>1,514,860</u></u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2014 and the two preceding fiscal years were as follows:

Trend Information			
Actuarial Valuation Date	Annual OPEB Cost	Percentage Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/14*	\$ 211,619	21.0%	\$ 1,514,860
6/30/13*	211,619	21.0%	1,348,702
6/30/12	211,619	21.0%	1,182,544

* Annual OPEB cost estimated using ARC from most recent valuation.

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Funding Status and Funding Progress

As of June 30, 2012 (most recent date available), the actuarial accrued liability for benefits was \$1,470,104, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) and the ratio of the unfunded actuarial accrued liability to the covered payroll were not available.

The projection of future benefit payments for an ongoing plan involved estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

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

Methods and Assumptions

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

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Methods and Assumptions (Continued)

The following simplifying assumptions were made:

Contribution rates:	
District	Not Applicable
Plan members	0.00%
Actuarial valuation date	July 1, 2011
Actuarial cost method	Unit credit, normal cost, actuarial accrued liability
Amortization period	Closed, level dollar
Remaining amortization period	30 years
Actuarial assumptions:	
Healthcare inflation rate	7.96% initial 5.00% ultimate
Mortality, Turnover, Disability, Retirement ages	RP-2000 Healthy Mortality table projected generationally with scale AA
Percentage of active employees assumed to elect benefit	It is assumed that the new retirees select coverage, consistent with their active election, and are assumed to participate in Medicare upon eligibility. Teachers are assumed to enroll in the TRS medical plan and not elect to receive COBRA benefits.

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE H - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2014 was as follows:

	Balance July 1, 2013	Increases/ Transfers	Decreases/ Transfers	Balance June 30, 2014
Capital assets, not being depreciated				
Land	\$ 11,664,443	\$ 108,000	\$ -	\$ 11,772,443
Construction in progress	8,573,453	-	8,573,453	-
Total capital assets, not being depreciated	20,237,896	108,000	8,573,453	11,772,443
Capital assets, being depreciated				
Buildings and building improvements	113,314,971	13,874,104	-	127,189,075
Site improvements	6,459,719	206,643	-	6,666,362
Equipment	5,422,020	513,724	-	5,935,744
Total capital assets, being depreciated	125,196,710	14,594,471	-	139,791,181
Less accumulated depreciation for:				
Buildings and building improvements	30,284,675	2,656,176	-	32,940,851
Site improvements	2,207,679	321,459	-	2,529,138
Equipment	4,340,327	708,287	-	5,048,614
Total accumulated depreciation	36,832,681	3,685,922	-	40,518,603
Total capital assets being depreciated, net	88,364,029	10,908,549	-	99,272,578
Governmental activities capital assets, net	\$ 108,601,925	\$ 11,016,549	\$ 8,573,453	\$ 111,045,021

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities	
General Government	
Transportation	\$ 14,831
Food Services	3,935
Unallocated	3,667,156
	\$ 3,685,922

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE I - OTHER CURRENT LIABILITIES AND JOINT AGREEMENT

On January 21, 2014, the District and Gurnee School District #56 (Gurnee #56) entered into a joint agreement to build a new transportation center to house both Districts' transportation staff and equipment. The joint transportation facility shares resources and complements the current shared transportation agreement with Gurnee #56 for transportation of students. The total cost of the facility, which was completed in early June 2014, was approximately \$2.5 million. In addition to the cost of the construction of the facility, property for the facility was purchased for approximately \$180,000. The District also entered into a long-term lease with the Village of Gurnee for additional land use (Note K). Gurnee #56 funded the costs associated with the transportation center. Per the agreement, the District is responsible for 60% of the costs, which are to be reimbursed to Gurnee #56, and is based on the number of the District's buses compared to total buses at the facility. Gurnee #56 was responsible for the remaining 40% of total costs. At June 30, 2014, the amount due to Gurnee #56 was \$1,131,225, which is recorded in other current liabilities in the accompanying statement of net position and the governmental funds balance sheet in the operations and maintenance fund.

NOTE J - LONG-TERM LIABILITIES

1. Changes in General Long-term Liabilities

During the year ended June 30, 2014, the following is the long-term liability activity for the District:

	Balance July 1, 2013	Additions	Reductions	Balance June 30, 2014
General obligation bonds	\$ 80,553,565	\$ -	\$ 2,833,565	\$ 77,720,000
Debt certificates	6,523,000	-	704,000	5,819,000
Capital lease	-	335,330	162,916	172,414
Bond premiums, net of amortization	3,034,065	-	207,252	2,826,813
Bond discounts, net of amortization	(75,655)	-	(4,103)	(71,552)
Termination benefits	10,516	-	10,516	-
Other postemployment benefits	1,348,702	211,619	45,461	1,514,860
Total long-term liabilities	<u>\$ 91,394,193</u>	<u>\$ 546,949</u>	<u>\$ 3,959,607</u>	<u>\$ 87,981,535</u>

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE J - LONG-TERM LIABILITIES (Continued)

1. Changes in General Long-term Liabilities (Continued)

At June 30, 2014, amounts due within one year on the outstanding long-term liabilities were as follows:

General obligation bonds	\$ 3,515,000
Debt certificates	2,743,000
Capital lease	<u>167,543</u>
 Total amount due within one year	 \$ <u><u>6,425,543</u></u>

2. General Obligation Bonds Payable

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

<u>Purpose</u>	<u>Interest Rates</u>	<u>Carrying Amount</u>	<u>Face Amount</u>
Working Cash Bonds 2004A	4.00% - 5.00%	\$ 450,000	\$ 450,000
Refunding School Bonds 2004D	3.00% - 5.25%	1,340,000	1,340,000
Refunding School Bonds 2005	4.00% - 4.125%	2,880,000	2,880,000
GO Limited School Bonds 2007	3.85% - 4.20%	7,000,000	7,000,000
GO Limited School Bonds 2008A	5.00% - 5.125%	3,035,000	3,035,000
GO Limited School Bonds 2008 C	3.00% - 5.00%	5,370,000	5,370,000
GO School Building Bonds 2009	5.40% - 6.30%	23,725,000	23,725,000
Refunding School Bonds 2011	2.00%	610,000	610,000
Refunding School Bonds 2012A	2.25% - 3.00%	9,440,000	9,440,000
Refunding School Bonds 2012B	0.83% - 2.74%	2,340,000	2,340,000
Refunding School Bonds 2012C	1.625%	1,840,000	1,840,000
Refunding School Bonds 2012D	0.65% - 3.09%	12,565,000	12,565,000
Refunding School Bonds 2013A	4.00%	5,860,000	5,860,000
Refunding School Bonds 2013B	0.67% - 1.80%	<u>1,265,000</u>	<u>1,265,000</u>
		 \$ <u><u>77,720,000</u></u>	 \$ <u><u>77,720,000</u></u>

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE J - LONG-TERM LIABILITIES (Continued)

2. General Obligation Bonds Payable (Continued)

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

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 3,515,000	\$ 3,122,803	\$ 6,637,803
2016	3,600,000	3,028,430	6,628,430
2017	3,235,000	2,981,639	6,216,639
2018	3,885,000	2,918,204	6,803,204
2019	5,105,000	2,821,207	7,926,207
2020-2024	27,760,000	11,378,111	39,138,111
2025-2028	<u>30,620,000</u>	<u>3,690,871</u>	<u>34,310,871</u>
	<u>\$ 77,720,000</u>	<u>\$ 29,941,265</u>	<u>\$ 107,661,265</u>

These payments will be made from amounts budgeted from the debt service tax levies in future periods. There is \$3,175,853 in the Debt Service Fund to service the outstanding bond payable.

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2014, the statutory debt limit for the District was \$131,949,672, providing a debt margin of \$45,482,998.

3. Debt Certificates

Annual debt service requirements to maturity for debt certificates are as follows for governmental-type activities:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 2,743,000	\$ 142,192	\$ 2,885,192
2016	<u>3,076,000</u>	<u>47,063</u>	<u>3,123,063</u>
	<u>\$ 5,819,000</u>	<u>\$ 189,255</u>	<u>\$ 6,008,255</u>

The District refinanced the remaining balance on the debt certificates subsequent to June 30, 2014. See Note R.

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE J - LONG-TERM LIABILITIES (Continued)

4. Capital Lease

During fiscal year 2014, the District entered into an agreement to lease computers. The lease terms require annual payments through July 2015. The obligations for these leases will be repaid from the Debt Service Fund with funding provided by the General Fund. Current year expenses under this lease are \$162,916.

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 167,543	\$ 4,897	\$ 172,440
2016	4,871	138	5,009
	<u>\$ 172,414</u>	<u>\$ 5,035</u>	<u>\$ 177,449</u>

NOTE K - OPERATING LEASES

The District leases equipment and vehicles under noncancelable operating leases. Total costs for such leases were \$825,713 for the year ended June 30, 2014. At June 30, 2014, future minimum lease payments for these leases are as follows:

<u>Year Ending June 30</u>	<u>Total</u>
2015	\$ 796,784
2016	664,938
2017	444,800
2018	554,875
2019	554,875
2020 - 2024	1,022,795
2025 - 2029	22,500
2030 - 2033	18,000
Total	<u>\$ 4,079,567</u>

NOTE L - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases coverage against such risks. To protect the District from such risks, the District participates in the Collective Liability Insurance Cooperative (CLIC) public entity risk pool for property damage and injury claims. The arrangements with the pool provide that the pool will be self-sustaining through member premiums, and will reinsure through commercial companies for claims in excess of certain levels established by the pool.

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE L - RISK MANAGEMENT (Continued)

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

NOTE M - JOINT AGREEMENTS

1. Special Education District of Lake County (SEDOL)

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

2. Lake County Area Vocational System (LCAVS)

The District and seventeen other districts within Lake and McHenry Counties have entered into a joint agreement to provide vocational programs for member districts that are not offering these services individually. Each member district has a financial responsibility for annual and special assessments, as established by the management council.

NOTE N - INTERFUND TRANSACTIONS

1. Receivables / Payables

At June 30, 2014, the Municipal Retirement/Social Security Fund and the Capital Projects Fund had a deficit cash balances of \$94,011 and \$35,734, respectively, which are classified as interfund payables due the Educational fund. Amounts are expected to be paid within one year and are classified as short-term.

2. Transfers

The District transferred \$133,000 to the General Fund, \$536,000 to the Operations and Maintenance Fund, and \$417,124 to the Capital Projects Fund from the Working Cash Fund. The amounts transferred represent a Working Cash Fund abatement.

The District transferred \$1,137,460 and \$172,439, respectively, from the Operations and Maintenance Fund and the General Fund, respectively, to the Debt Service Fund. The amounts transferred represent funds transferred to pay principal and interest on the District's debt certificates and capital leases, respectively.

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE O - SPECIAL TAX LEVIES

1. Special Education Tax Levy

Revenues from the special education tax levy and the related expenditures have been included in the operations of the Educational Fund. Because cumulative expenditures exceeded cumulative revenues, there is no fund balance restriction.

2. Leasing Educational Facilities Levy

Revenues from the leasing educational facilities tax levy and the related expenditures have been included in the operations of the Educational Fund. Because cumulative expenditures exceeded cumulative revenues, there is no fund balance restriction.

NOTE P - CONTINGENCIES

1. Litigation

The District was involved in litigation at June 30, 2014 that was settled subsequent to year end. Provision has been made in the accompanying financial statements for settlement costs. The District was also involved in other litigation that would not materially affect the balances reported at June 30, 2014. With regard to other pending matters, the eventual outcome and related liability, if any, are not determinable at this time. No provision has been made in the accompanying financial statements for settlement costs.

2. Grants

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

NOTE Q - CONSTRUCTION COMMITMENTS

The District has entered into certain contracts for construction in the next fiscal year. Commitments under these contracts approximate \$1,131,000.

NOTE R - PRIOR PERIOD ADJUSTMENT

The implementation of GASB 65 (Note A-2) required bond issuance costs to be expensed in the year incurred. As a result of this implementation, net position as of July 1, 2013 decreased by \$3,672,200.

Warren Township High School District 121

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE S - SUBSEQUENT EVENT

Management has evaluated subsequent events through October 8, 2014, the date that these financial statements were available to be issued. Management has determined that no events or transactions, other than that described below, have occurred subsequent to the balance sheet date that require disclosure in the financial statements.

In September 2014, the District refinanced the outstanding balance on its 2009 and 2010 debt certificates. The terms of the new agreement call for annual principal payments of \$300,000 from January 2015 through January 2019, and a balloon payment of \$4,346,500 in January 2020.

**REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)**

Warren Township High School District 121
SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND
June 30, 2014

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll [(2)-(1)]/(5)
12/31/13	\$ 7,998,253	11,795,756	67.81 %	\$ 3,797,503	\$ 5,644,392	67.28 %
12/31/12	6,662,981	10,838,083	61.48	4,175,102	5,379,303	77.61
12/31/11	6,134,666	10,307,312	59.52	4,172,646	5,202,968	80.20

On a market value basis, the actuarial value of assets as of December 31, 2013 is \$9,601,584. On a market basis, the funded ratio would be 81.40%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with Warren Township School District 121. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

Warren Township High School District 121

SCHEDULE OF FUNDING PROGRESS OTHER POSTEMPLOYMENT BENEFITS

June 30, 2014

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll [(2)-(1)]/(5)
6/30/2014*	\$ -	\$ 1,470,104	0.00 %	\$ 1,470,104	NA	NA %
6/30/2013*	-	1,470,104	0.00	1,470,104	NA	NA
6/30/2012*	-	1,470,104	0.00	1,470,104	NA	NA

NA - not available

* 6/30/12 information is the most recent available.

Warren Township High School District 121
General Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2014
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
General levy	\$31,996,611	\$32,452,414	\$ 455,803	\$30,367,698
Leasing levy	373,194	318,610	(54,584)	354,675
Special education levy	-	19,827	19,827	21,588
Corporate personal property replacement taxes	570,000	387,803	(182,197)	378,000
Regular tuition from pupils or parents	1,045,329	1,123,737	78,408	1,057,516
Summer school tuition from pupils or parents	275,035	270,942	(4,093)	283,905
Interest on investments	30,880	12,123	(18,757)	54,157
Gain or loss on sale of investments	-	-	-	(64,594)
Sales to pupils - lunch	1,518,000	1,372,212	(145,788)	1,397,080
Other food service	225	-	(225)	-
Admissions - athletic	84,336	75,369	(8,967)	85,489
Admissions - other	1,053	11,121	10,068	-
Fees	755,893	793,509	37,616	751,075
Book store sales	13,384	11,411	(1,973)	13,554
Other district/school activity revenue	-	-	-	381
Other - textbooks	12,253	7,623	(4,630)	11,790
Contributions and donations from private sources	6,546	28,681	22,135	4,088
Services provided other districts	-	42,043	42,043	40,555
Refund of prior years' expenditures	-	70,094	70,094	-
Drivers' education fees	8,466	8,870	404	8,816
Proceeds from vendors' contracts	11,269	39,545	28,276	40,928
Payment from other districts	2,050	2,094	44	-
Other	<u>8,093</u>	<u>13,588</u>	<u>5,495</u>	<u>26,484</u>
Total local sources	<u>36,712,617</u>	<u>37,061,616</u>	<u>348,999</u>	<u>34,833,185</u>

(Continued)

Warren Township High School District 121
 General Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
State sources				
General State Aid	\$ 2,043,900	\$ 2,048,272	\$ 4,372	\$ 2,392,974
Special Education - Private Facility Tuition	837,806	1,073,342	235,536	1,033,396
Special Education - Extraordinary	543,087	543,088	1	727,603
Special Education - Personnel	501,500	549,691	48,191	642,522
Special Education - Summer School	9,324	7,950	(1,374)	9,324
CTE - Secondary Program Improvement (CTEI)	40,910	40,910	-	37,191
Bilingual Ed. - Downstate - T.P.I. and T.P.E.	21,796	19,628	(2,168)	39,790
State Free Lunch and Breakfast	3,169	3,073	(96)	3,401
Driver Education	26,529	30,544	4,015	34,153
Other state sources	13,443	31,254	17,811	19,676
On Behalf Payments to TRS from the State	<u>7,500,000</u>	<u>8,892,704</u>	<u>1,392,704</u>	<u>6,874,646</u>
Total state sources	<u>11,541,464</u>	<u>13,240,456</u>	<u>1,698,992</u>	<u>11,814,676</u>
Federal sources				
Special Milk Program	10,600	12,608	2,008	10,588
Title I - Low Income	218,430	257,391	38,961	236,022
Federal - Special Education - I.D.E.A. - Flow Through	264,639	262,448	(2,191)	306,830
Federal - Special Education - I.D.E.A. - Room and Board	139,795	81,155	(58,640)	211,892
CTE - Other	27,053	27,053	-	25,227
Build America Bonds Interest Reimbursement	458,316	465,846	7,530	480,053
Title III - English Language Acquisition	-	5,341	5,341	14,376
Title II - Teacher Quality	38,491	39,573	1,082	41,677
Medicaid Matching Funds - Administrative Outreach	40,000	20,058	(19,942)	41,027
Medicaid Matching Funds - Fee-For-Service-Program	<u>133,328</u>	<u>220,033</u>	<u>86,705</u>	<u>234,098</u>
Total federal sources	<u>1,330,652</u>	<u>1,391,506</u>	<u>60,854</u>	<u>1,601,790</u>
Total revenues	<u>49,584,733</u>	<u>51,693,578</u>	<u>2,108,845</u>	<u>48,249,651</u>

(Continued)

Warren Township High School District 121
 General Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Expenditures				
Instruction				
Regular programs				
Salaries	\$14,968,209	\$14,980,316	\$ (12,107)	\$14,774,238
Employee benefits	1,898,475	1,978,980	(80,505)	2,107,697
On-behalf payments to TRS from the state	7,500,000	8,892,704	(1,392,704)	6,874,646
Purchased services	532,672	538,150	(5,478)	524,802
Supplies and materials	618,360	586,866	31,494	613,402
Capital outlay	84,979	335,330	(250,351)	31,060
Other objects	6,515	6,400	115	6,514
Non-capitalized equipment	<u>14,085</u>	<u>-</u>	<u>14,085</u>	<u>12,821</u>
Total	<u>25,623,295</u>	<u>27,318,746</u>	<u>(1,695,451)</u>	<u>24,945,180</u>
Special education programs				
Salaries	3,932,526	3,911,607	20,919	3,672,059
Employee benefits	764,280	668,841	95,439	625,780
Purchased services	167,300	152,678	14,622	122,140
Supplies and materials	93,469	93,527	(58)	72,389
Capital outlay	52,713	23,139	29,574	-
Other objects	-	70,000	(70,000)	-
Non-capitalized equipment	<u>8,364</u>	<u>500</u>	<u>7,864</u>	<u>48,375</u>
Total	<u>5,018,652</u>	<u>4,920,292</u>	<u>98,360</u>	<u>4,540,743</u>
Remedial and Support				
Adult/continuing education programs				
Salaries	165,000	130,287	34,713	124,608
Employee benefits	<u>2,145</u>	<u>2,179</u>	<u>(34)</u>	<u>2,111</u>
Total	<u>167,145</u>	<u>132,466</u>	<u>34,679</u>	<u>126,719</u>

(Continued)

Warren Township High School District 121
 General Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
CTE programs				
Salaries	\$ 1,225,394	\$ 1,225,393	\$ 1	\$ 1,177,435
Employee benefits	142,166	136,803	5,363	131,595
Purchased services	2,750	9,205	(6,455)	1,658
Supplies and materials	97,803	67,657	30,146	72,296
Capital outlay	<u>59,845</u>	<u>64,071</u>	<u>(4,226)</u>	<u>55,860</u>
Total	<u>1,527,958</u>	<u>1,503,129</u>	<u>24,829</u>	<u>1,438,844</u>
Interscholastic programs				
Salaries	1,239,000	1,253,066	(14,066)	1,176,349
Employee benefits	80,964	79,468	1,496	78,784
Purchased services	207,459	233,980	(26,521)	227,674
Supplies and materials	66,650	61,686	4,964	60,261
Capital outlay	-	10,420	(10,420)	-
Non-capitalized equipment	<u>58,145</u>	<u>6,831</u>	<u>51,314</u>	<u>58,145</u>
Total	<u>1,652,218</u>	<u>1,645,451</u>	<u>6,767</u>	<u>1,601,213</u>
Summer school programs				
Salaries	252,000	267,346	(15,346)	259,375
Employee benefits	3,271	2,859	412	2,335
Purchased services	17,000	7,959	9,041	16,633
Supplies and materials	<u>5,500</u>	<u>3,067</u>	<u>2,433</u>	<u>5,449</u>
Total	<u>277,771</u>	<u>281,231</u>	<u>(3,460)</u>	<u>283,792</u>
Drivers education programs				
Salaries	71,596	71,595	1	68,634
Employee benefits	23,725	6,755	16,970	7,025
Purchased services	1,253	1,127	126	1,253
Supplies and materials	<u>1,500</u>	<u>1,341</u>	<u>159</u>	<u>1,822</u>
Total	<u>98,074</u>	<u>80,818</u>	<u>17,256</u>	<u>78,734</u>

(Continued)

Warren Township High School District 121
 General Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Bilingual programs				
Salaries	\$ 156,200	\$ 157,202	\$ (1,002)	\$ 149,928
Employee benefits	23,772	20,451	3,321	17,189
Purchased services	4,000	1,567	2,433	1,500
Supplies and materials	6,758	2,826	3,932	1,602
Capital outlay	<u>5,317</u>	<u>-</u>	<u>5,317</u>	<u>21,417</u>
Total	<u>196,047</u>	<u>182,046</u>	<u>14,001</u>	<u>191,636</u>
Special education programs K-12 - private tuition	<u>1,940,000</u>	<u>2,363,655</u>	<u>(423,655)</u>	<u>2,469,662</u>
Total instruction	<u>36,501,160</u>	<u>38,427,834</u>	<u>(1,926,674)</u>	<u>35,676,523</u>
Support services				
Pupils				
Attendance and social work services				
Salaries	745,021	716,220	28,801	812,814
Employee benefits	136,019	95,376	40,643	112,952
Purchased services	5,363	200	5,163	5,362
Supplies and materials	<u>350</u>	<u>-</u>	<u>350</u>	<u>359</u>
Total	<u>886,753</u>	<u>811,796</u>	<u>74,957</u>	<u>931,487</u>
Guidance services				
Salaries	1,395,819	1,382,973	12,846	1,216,229
Employee benefits	183,058	183,638	(580)	161,606
Other objects	<u>160</u>	<u>-</u>	<u>160</u>	<u>160</u>
Total	<u>1,579,037</u>	<u>1,566,611</u>	<u>12,426</u>	<u>1,377,995</u>

(Continued)

Warren Township High School District 121
 General Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			2013 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Health services				
Salaries	\$ 306,509	\$ 307,731	\$ (1,222)	\$ 286,943
Employee benefits	36,841	37,070	(229)	37,241
Supplies and materials	6,400	5,301	1,099	5,467
Non-capitalized equipment	<u>5,140</u>	<u>-</u>	<u>5,140</u>	<u>-</u>
Total	<u>354,890</u>	<u>350,102</u>	<u>4,788</u>	<u>329,651</u>
Psychological services				
Salaries	118,693	94,206	24,487	115,540
Employee benefits	<u>16,340</u>	<u>14,385</u>	<u>1,955</u>	<u>17,717</u>
Total	<u>135,033</u>	<u>108,591</u>	<u>26,442</u>	<u>133,257</u>
Speech pathology and				
Total pupils	<u>2,955,713</u>	<u>2,837,100</u>	<u>118,613</u>	<u>2,772,390</u>
Instructional staff				
Improvement of instruction services				
Salaries	266,395	282,856	(16,461)	222,931
Employee benefits	71,102	72,626	(1,524)	74,976
Purchased services	68,219	81,518	(13,299)	50,088
Supplies and materials	85,295	94,786	(9,491)	83,319
Other objects	<u>593</u>	<u>500</u>	<u>93</u>	<u>593</u>
Total	<u>491,604</u>	<u>532,286</u>	<u>(40,682)</u>	<u>431,907</u>

(Continued)

Warren Township High School District 121
 General Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Educational media services				
Salaries	\$ 1,159,580	\$ 1,161,438	\$ (1,858)	\$ 1,114,456
Employee benefits	176,431	193,480	(17,049)	180,539
Purchased services	70,576	74,642	(4,066)	96,397
Supplies and materials	280,161	504,896	(224,735)	298,077
Capital outlay	41,715	141,993	(100,278)	41,715
Non-capitalized equipment	<u>570,180</u>	<u>143,771</u>	<u>426,409</u>	<u>570,180</u>
Total	<u>2,298,643</u>	<u>2,220,220</u>	<u>78,423</u>	<u>2,301,364</u>
Assessment and testing				
Salaries	10,000	5,234	4,766	13,114
Employee benefits	130	48	82	202
Purchased services	<u>14,256</u>	<u>14,256</u>	<u>-</u>	<u>14,256</u>
Total	<u>24,386</u>	<u>19,538</u>	<u>4,848</u>	<u>27,572</u>
Total instructional staff	<u>2,814,633</u>	<u>2,772,044</u>	<u>42,589</u>	<u>2,760,843</u>
General administration				
Board of education services				
Salaries	8,974	8,974	-	8,712
Purchased services	344,950	340,295	4,655	266,413
Supplies and materials	33,500	38,132	(4,632)	31,841
Other objects	<u>9,000</u>	<u>10,584</u>	<u>(1,584)</u>	<u>9,711</u>
Total	<u>396,424</u>	<u>397,985</u>	<u>(1,561)</u>	<u>316,677</u>
Executive administration services				
Salaries	250,848	250,848	-	237,948
Employee benefits	<u>57,896</u>	<u>53,169</u>	<u>4,727</u>	<u>58,649</u>
Total	<u>308,744</u>	<u>304,017</u>	<u>4,727</u>	<u>296,597</u>

(Continued)

Warren Township High School District 121
 General Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Purchased services	\$ 532,155	\$ 603,635	\$ (71,480)	\$ 586,339
Total	<u>532,155</u>	<u>603,635</u>	<u>(71,480)</u>	<u>586,339</u>
Total general administration	<u>1,237,323</u>	<u>1,305,637</u>	<u>(68,314)</u>	<u>1,199,613</u>
School administration				
Office of the principal services				
Salaries	872,240	866,934	5,306	885,480
Employee benefits	326,737	225,981	100,756	149,366
Supplies and materials	30,000	15,522	14,478	26,349
Other objects	<u>7,109</u>	<u>8,013</u>	<u>(904)</u>	<u>284</u>
Total	<u>1,236,086</u>	<u>1,116,450</u>	<u>119,636</u>	<u>1,061,479</u>
Other support services - school administration				
Salaries	608,064	608,062	2	580,291
Employee benefits	<u>150,939</u>	<u>157,689</u>	<u>(6,750)</u>	<u>134,895</u>
Total	<u>759,003</u>	<u>765,751</u>	<u>(6,748)</u>	<u>715,186</u>
Total school administration	<u>1,995,089</u>	<u>1,882,201</u>	<u>112,888</u>	<u>1,776,665</u>
Business				
Direction of business support services				
Salaries	157,815	157,814	1	153,218
Employee benefits	<u>30,210</u>	<u>31,454</u>	<u>(1,244)</u>	<u>33,556</u>
Total	<u>188,025</u>	<u>189,268</u>	<u>(1,243)</u>	<u>186,774</u>

(Continued)

Warren Township High School District 121
 General Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Fiscal services				
Salaries	\$ 307,482	\$ 310,503	\$ (3,021)	\$ 297,201
Employee benefits	36,390	41,301	(4,911)	36,151
Purchased services	107,850	102,146	5,704	104,611
Supplies and materials	4,200	4,326	(126)	4,635
Other objects	2,000	4,278	(2,278)	1,893
Total	<u>457,922</u>	<u>462,554</u>	<u>(4,632)</u>	<u>444,491</u>
Food services				
Purchased services	1,327,085	1,180,220	146,865	1,210,710
Supplies and materials	6,500	16,394	(9,894)	6,653
Capital outlay	-	12,200	(12,200)	-
Total	<u>1,333,585</u>	<u>1,208,814</u>	<u>124,771</u>	<u>1,217,363</u>
Purchased services	<u>1,500</u>	<u>1,674</u>	<u>(174)</u>	<u>1,229</u>
Total	<u>1,500</u>	<u>1,674</u>	<u>(174)</u>	<u>1,229</u>
Total business	<u>1,981,032</u>	<u>1,862,310</u>	<u>118,722</u>	<u>1,849,857</u>
Central				
Staff services				
Salaries	63,486	63,850	(364)	61,990
Employee benefits	26,515	21,166	5,349	21,749
Purchased services	6,820	3,863	2,957	7,072
Supplies and materials	250	-	250	249
Total	<u>97,071</u>	<u>88,879</u>	<u>8,192</u>	<u>91,060</u>
Total central	<u>97,071</u>	<u>88,879</u>	<u>8,192</u>	<u>91,060</u>

(Continued)

Warren Township High School District 121
 General Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Other supporting services				
Salaries	\$ 2,000	\$ 2,000	\$ -	\$ 2,000
Employee benefits	-	612	(612)	575
Purchased services	43,686	24,569	19,117	17,420
Supplies and materials	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>942</u>
Total	<u>46,686</u>	<u>28,181</u>	<u>18,505</u>	<u>20,937</u>
Total support services	<u>11,127,547</u>	<u>10,776,352</u>	<u>351,195</u>	<u>10,471,365</u>
Community services				
Salaries	4,000	4,000	-	8,000
Employee benefits	-	51	(51)	1,159
Supplies and materials	<u>232</u>	<u>215</u>	<u>17</u>	<u>36</u>
Total	<u>4,232</u>	<u>4,266</u>	<u>(34)</u>	<u>9,195</u>
Payments to other districts and government units				
Payments for special education programs				
Purchased services	<u>106,003</u>	<u>169,955</u>	<u>(63,952)</u>	<u>105,661</u>
Total	<u>106,003</u>	<u>169,955</u>	<u>(63,952)</u>	<u>105,661</u>
Payments for special education programs - tuition				
Other objects	1,581,000	912,005	668,995	1,088,437
Payments for CTE programs - tuition				
Other objects	1,040,879	1,050,486	(9,607)	870,270

(Continued)

Warren Township High School District 121
General Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2014
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Payments for other programs - tuition				
Other objects	\$ 40,000	\$ 6,132	\$ 33,868	\$ 35,643
Total payments to other districts and other government units	<u>2,767,882</u>	<u>2,138,578</u>	<u>629,304</u>	<u>2,100,011</u>
Total expenditures	<u>50,400,821</u>	<u>51,347,030</u>	<u>(946,209)</u>	<u>48,257,094</u>
Excess (deficiency) of revenues over expenditures	<u>(816,088)</u>	<u>346,548</u>	<u>1,162,636</u>	<u>(7,443)</u>
Other financing sources (uses)				
Permanent transfer from Working Cash Fund - abatement	-	133,000	133,000	146,000
Permanent transfer from Working Cash Fund - abatement	-	(1,086,124)	(1,086,124)	(276,000)
Proceeds from capital leases	-	335,330	335,330	-
Transfer to Debt Service Fund for principal on capital leases	-	(162,916)	(162,916)	-
Transfer to Debt Service Fund for interest on capital leases	-	(9,523)	(9,523)	-
Total other financing sources (uses)	<u>-</u>	<u>(790,233)</u>	<u>(790,233)</u>	<u>(130,000)</u>
Net change to fund balance	<u>\$ (816,088)</u>	(443,685)	<u>\$ 372,403</u>	(137,443)
Fund balance, beginning of year		<u>22,107,012</u>		<u>22,244,455</u>
Fund balance, end of year		<u>\$21,663,327</u>		<u>\$22,107,012</u>

(Concluded)

Warren Township High School District 121
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2014
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
General levy	\$4,165,839	\$ 4,159,698	\$ (6,141)	\$4,343,973
Fees	144,452	172,580	28,128	144,452
Rentals	56,668	68,811	12,143	67,625
Services provided other Districts	-	-	-	2,420
Refund of prior years' expenditures	1,334	11,541	10,207	-
Other	<u>58,280</u>	<u>15,360</u>	<u>(42,920)</u>	<u>68,607</u>
Total local sources	<u>4,426,573</u>	<u>4,427,990</u>	<u>1,417</u>	<u>4,627,077</u>
Total revenues	<u>4,426,573</u>	<u>4,427,990</u>	<u>1,417</u>	<u>4,627,077</u>
Expenditures				
Support services				
Business				
Operation and maintenance of plant services				
Salaries	840,050	724,047	116,003	814,693
Employee benefits	121,103	99,350	21,753	115,072
Purchased services	1,752,111	1,769,542	(17,431)	1,629,167
Supplies and materials	1,108,400	1,231,781	(123,381)	1,048,793
Capital outlay	330,000	1,722,708	(1,392,708)	106,343
Other objects	20	203	(183)	20
Non-capitalized equipment	<u>75,000</u>	<u>14,884</u>	<u>60,116</u>	<u>44,982</u>
Total business	<u>4,226,684</u>	<u>5,562,515</u>	<u>(1,335,831)</u>	<u>3,759,070</u>
Total support services	<u>4,226,684</u>	<u>5,562,515</u>	<u>(1,335,831)</u>	<u>3,759,070</u>

(Continued)

Warren Township High School District 121
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2014
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Payments to other districts and Government units				
Payments to other governmental units (in-state)				
Payments for special education programs				
Purchased services	\$ 151,035	\$ 143,736	\$ 7,299	\$ 144,364
Other objects	<u>18,000</u>	<u>6,671</u>	<u>11,329</u>	<u>8,866</u>
Total	<u>169,035</u>	<u>150,407</u>	<u>18,628</u>	<u>153,230</u>
Payments for CTE education programs				
Other objects	<u>30,044</u>	<u>30,044</u>	<u>-</u>	<u>31,108</u>
Total	<u>30,044</u>	<u>30,044</u>	<u>-</u>	<u>31,108</u>
Other payments to in-state governmental units				
Other objects	<u>675</u>	<u>386</u>	<u>289</u>	<u>675</u>
Total	<u>675</u>	<u>386</u>	<u>289</u>	<u>675</u>
Total other payments	<u>199,754</u>	<u>180,837</u>	<u>18,917</u>	<u>185,013</u>
Total expenditures	<u>4,426,438</u>	<u>5,743,352</u>	<u>(1,316,914)</u>	<u>3,944,083</u>
Excess (deficiency) of revenues over expenditures	<u>135</u>	<u>(1,315,362)</u>	<u>(1,315,497)</u>	<u>682,994</u>

(Continued)

Warren Township High School District 121
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2014
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Other financing sources (uses)				
Permanent transfer from Working Cash Fund - abatement	\$ -	\$ 536,000	\$ (536,000)	\$ 130,000
Sale or compensation for fixed assets	-	-	-	32,824
Transfer to Debt Service Fund for principal on debt certificates	566,959	(876,889)	1,443,848	(400,767)
Transfer to Debt Service Fund for interest on debt certificates	<u>-</u>	<u>(260,571)</u>	<u>260,571</u>	<u>(34,036)</u>
Total other financing sources (uses)	<u>566,959</u>	<u>(601,460)</u>	<u>1,168,419</u>	<u>(271,979)</u>
Net change in fund balance	<u>\$ 567,094</u>	(1,916,822)	<u>\$ (147,078)</u>	411,015
Fund balance, beginning of year		<u>2,275,295</u>		<u>1,864,280</u>
Fund balance, end of year		<u>\$ 358,473</u>		<u>\$2,275,295</u>

(Concluded)

Warren Township High School District 121
Transportation Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2014
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
General levy	\$ 1,036,650	\$ 991,203	\$ (45,447)	\$ 1,814,143
Regular transportation fees from other districts	38,752	75,508	36,756	45,248
Regular transportation fees from other sources - in state	6,452	-	(6,452)	-
Regular transportation fees curricular activities	-	10,473	10,473	25,559
Summer school transportation fees from pupils or parents	21,156	20,992	(164)	-
Special education transportation fees from other districts	-	140,530	140,530	77,103
Other	-	29	29	-
Total local sources	<u>1,103,010</u>	<u>1,238,735</u>	<u>135,725</u>	<u>1,962,053</u>
State sources				
Transportation - Regular/Vocational	169,781	121,310	(48,471)	213,842
Transportation - Special Education	1,167,002	1,350,002	183,000	1,458,469
Other State Sources	-	93,632	93,632	-
Total state sources	<u>1,336,783</u>	<u>1,564,944</u>	<u>228,161</u>	<u>1,672,311</u>
Total revenues	<u>2,439,793</u>	<u>2,803,679</u>	<u>363,886</u>	<u>3,634,364</u>

(Continued)

Warren Township High School District 121
Transportation Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2014
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Expenditures				
Support services				
Business				
Pupil transportation services				
Salaries	\$ 1,661,508	\$ 1,829,629	\$ (168,121)	\$ 1,564,195
Employee benefits	325,858	343,388	(17,530)	274,793
Purchased services	1,141,448	967,149	174,299	1,284,691
Supplies and materials	438,070	490,363	(52,293)	406,347
Capital outlay	40,000	39,942	58	193,570
Other objects	1,500	330	1,170	850
Non-capitalized equipment	<u>8,500</u>	<u>93,632</u>	<u>(85,132)</u>	<u>34,988</u>
Total support services	<u>3,616,884</u>	<u>3,764,433</u>	<u>(147,549)</u>	<u>3,759,434</u>
Total expenditures	<u>3,616,884</u>	<u>3,764,433</u>	<u>(147,549)</u>	<u>3,759,434</u>
Deficiency of revenues over expenditures	<u>(1,177,091)</u>	<u>(960,754)</u>	<u>216,337</u>	<u>(125,070)</u>
Net change in fund balance	<u>\$(1,177,091)</u>	(960,754)	<u>\$ 216,337</u>	(125,070)
Fund balance, beginning of year		<u>1,263,522</u>		<u>1,388,592</u>
Fund balance, end of year		<u>\$ 302,768</u>		<u>\$ 1,263,522</u>

(Concluded)

Warren Township High School District 121
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2014
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
General levy	\$ 1,499,017	\$ 608,247	\$ (890,770)	\$ 497,537
Social security/Medicare only levy	-	464,823	464,823	497,537
Other tax levies	-	137,359	137,359	107,946
Corporate personal property replacement taxes	255,000	391,377	136,377	392,229
Refund of prior years' expenditures	-	132,842	132,842	-
Total local sources	<u>1,754,017</u>	<u>1,734,648</u>	<u>(19,369)</u>	<u>1,495,249</u>
Total revenues	<u>1,754,017</u>	<u>1,734,648</u>	<u>(19,369)</u>	<u>1,495,249</u>
Expenditures				
Instruction				
Regular programs	281,743	270,538	11,205	295,126
Special education programs	246,532	253,381	(6,849)	214,229
Adult/continuing education programs	2,393	1,744	649	1,676
Vocational educational programs	17,955	17,587	368	16,977
Interscholastic programs	42,357	42,713	(356)	41,090
Summer school programs	3,660	9,159	(5,499)	8,311
Drivers education programs	1,039	1,024	15	971
Bilingual programs	2,324	2,170	154	2,060
Total instruction	<u>598,003</u>	<u>598,316</u>	<u>(313)</u>	<u>580,440</u>

(Continued)

Warren Township High School District 121
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2014
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Support services				
Pupils				
Attendance and social work services	\$ 55,471	\$ 48,360	\$ 7,111	\$ 76,200
Guidance services	56,952	55,714	1,238	37,607
Health services	41,825	45,506	(3,681)	43,159
Psychological services	<u>1,722</u>	<u>1,256</u>	<u>466</u>	<u>1,569</u>
Total pupils	<u>155,970</u>	<u>150,836</u>	<u>5,134</u>	<u>158,535</u>
Instructional staff				
Improvement of instruction services	16,081	18,593	(2,512)	12,855
Educational media services	145,800	161,187	(15,387)	154,492
Assessment and testing	<u>1,096</u>	<u>341</u>	<u>755</u>	<u>208</u>
Total instructional staff	<u>162,977</u>	<u>180,121</u>	<u>(17,144)</u>	<u>167,555</u>
General administration				
Board of education services	2,214	2,185	29	2,135
Executive administration services	<u>18,637</u>	<u>18,420</u>	<u>217</u>	<u>15,921</u>
Total general administration	<u>20,851</u>	<u>20,605</u>	<u>246</u>	<u>18,056</u>
School administration				
Office of the principal services	65,264	34,143	31,121	33,176
Other support services - school administration	<u>8,817</u>	<u>8,682</u>	<u>135</u>	<u>8,298</u>
Total school administration	<u>74,081</u>	<u>42,825</u>	<u>31,256</u>	<u>41,474</u>

(Continued)

Warren Township High School District 121
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2014
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Business				
Direction of business support services	\$ 2,289	\$ 2,241	\$ 48	\$ 2,183
Fiscal services	76,077	76,442	(365)	64,372
Operation and maintenance of plant services	174,640	146,362	28,278	160,932
Pupil transportation services	<u>293,456</u>	<u>344,233</u>	<u>(50,777)</u>	<u>293,667</u>
Total business	<u>546,462</u>	<u>569,278</u>	<u>(22,816)</u>	<u>521,154</u>
Staff services	<u>15,651</u>	<u>15,326</u>	<u>325</u>	<u>13,456</u>
Total central	<u>15,651</u>	<u>15,326</u>	<u>325</u>	<u>13,456</u>
Other support services	<u>-</u>	<u>-</u>	<u>-</u>	<u>28</u>
Total support services	<u>975,992</u>	<u>978,991</u>	<u>(2,999)</u>	<u>920,258</u>
Community services	<u>-</u>	<u>58</u>	<u>(58)</u>	<u>58</u>
Payments to other districts and governments				
Payments for special education programs	<u>131,209</u>	<u>131,209</u>	<u>-</u>	<u>95,330</u>
Total payments to other districts and governments	<u>131,209</u>	<u>131,209</u>	<u>-</u>	<u>95,330</u>
Total expenditures	<u>1,705,204</u>	<u>1,708,574</u>	<u>(3,370)</u>	<u>1,596,086</u>
Excess (deficiency) of revenues over expenditures	<u>48,813</u>	<u>26,074</u>	<u>(22,739)</u>	<u>(100,837)</u>
Net change in fund balance	<u>\$ 48,813</u>	26,074	<u>\$ (22,739)</u>	<u>(100,837)</u>
Fund balance, beginning of year		<u>59,620</u>		<u>160,457</u>
Fund balance, end of year		<u>\$ 85,694</u>		<u>\$ 59,620</u>

(Concluded)

Warren Township High School District 121

Notes to the Required Supplementary Information

June 30, 2014

1. LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS

The Board of Education follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) Prior to July 1, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted and the proposed budget is available for inspection to obtain comments.
- c) Prior to October 1, the budget is legally adopted through passage of a resolution. By the last Tuesday in December each year, a tax levy resolution is filed with the County Clerk to obtain tax revenues.
- d) Formal budgetary integration is employed as a management control device during the year for the governmental funds.
- e) The Board of Education may amend the budget by the same procedures required of its original adoption.
- f) Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within a fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education after the public hearing process mandated by law.
- g) The budget amounts shown in the financial statements are as originally adopted by the Board of Education on September 24, 2013.

2. EXPENDITURES IN EXCESS OF BUDGETS

The following funds had an excess of expenditures over budget as follows:

<u>Fund</u>	<u>Variance</u>
Transportation	\$ 147,549
Operations and Maintenance	1,316,914
Municipal Retirement / Social Security Fund	3,370
Debt Service	1,117,498

SUPPLEMENTARY FINANCIAL INFORMATION

Warren Township High School District 121

General Fund

COMBINING BALANCE SHEET

June 30, 2014

	<u>Educational</u>	<u>Tort Immunity and Judgment</u>	<u>Working Cash</u>	<u>Total</u>
ASSETS				
Cash and investments	\$ 11,466,661	\$ 92,724	\$ 4,864,573	\$ 16,423,958
Restricted cash	-	-	5,819,000	5,819,000
Receivables (net of allowance for uncollectibles):				
Property taxes	16,757,742	149,539	-	16,907,281
Intergovernmental	433,124	70,089	-	503,213
Loan to other funds	129,745	-	-	129,745
Prepaid Items	49,229	16,527	-	65,756
Other current assets	23,590	-	-	23,590
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 28,860,091</u>	<u>\$ 328,879</u>	<u>\$ 10,683,573</u>	<u>\$ 39,872,543</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 396,371	\$ 87,724	\$ -	\$ 484,095
Salaries and wages payable	31,999	-	-	31,999
Payroll deductions payable	396,241	-	-	396,241
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>824,611</u>	<u>87,724</u>	<u>-</u>	<u>912,335</u>
DEFERRED INFLOWS				
Unavailable property taxes	17,143,896	152,985	-	17,296,881
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total deferred inflows	<u>17,143,896</u>	<u>152,985</u>	<u>-</u>	<u>17,296,881</u>
FUND BALANCES				
Nonspendable	49,229	16,527	-	65,756
Restricted	-	71,643	5,819,000	5,890,643
Unassigned	10,842,355	-	4,864,573	15,706,928
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balance	<u>10,891,584</u>	<u>88,170</u>	<u>10,683,573</u>	<u>21,663,327</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 28,860,091</u>	<u>\$ 328,879</u>	<u>\$ 10,683,573</u>	<u>\$ 39,872,543</u>

Warren Township High School District 121

General Fund

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES For the Year Ended June 30, 2014

	Educational	Tort Immunity and Judgment	Working Cash	Total
Revenues				
Property taxes	\$32,340,270	\$ 450,581	\$ -	\$ 32,790,851
Replacement taxes	387,803	-	-	387,803
State aid	13,240,456	-	-	13,240,456
Federal aid	1,391,506	-	-	1,391,506
Interest	429	-	11,694	12,123
Other	<u>3,800,750</u>	<u>70,089</u>	<u>-</u>	<u>3,870,839</u>
Total revenues	<u>51,161,214</u>	<u>520,670</u>	<u>11,694</u>	<u>51,693,578</u>
Expenditures				
Current:				
Instruction:				
Regular programs	18,090,712	-	-	18,090,712
Special programs	7,260,808	-	-	7,260,808
Other instructional programs	3,750,650	-	-	3,750,650
State retirement contributions	8,892,704	-	-	8,892,704
Support services:				
Pupils	2,837,100	-	-	2,837,100
Instructional staff	2,630,051	-	-	2,630,051
General administration	702,002	603,635	-	1,305,637
School administration	1,882,201	-	-	1,882,201
Business	1,850,110	-	-	1,850,110
Central	88,879	-	-	88,879
Other supporting services	28,181	-	-	28,181
Community services	4,266	-	-	4,266
Nonprogrammed charges	2,138,578	-	-	2,138,578
Capital outlay	<u>587,153</u>	<u>-</u>	<u>-</u>	<u>587,153</u>
Total expenditures	<u>50,743,395</u>	<u>603,635</u>	<u>-</u>	<u>51,347,030</u>
Excess (deficiency) of revenues over expenditures	<u>417,819</u>	<u>(82,965)</u>	<u>11,694</u>	<u>346,548</u>
Other financing sources (uses)				
Transfers in	133,000	-	-	133,000
Transfers (out)	(172,439)	-	(1,086,124)	(1,258,563)
Proceeds from capital leases	<u>335,330</u>	<u>-</u>	<u>-</u>	<u>335,330</u>
Total other financing sources (uses)	<u>295,891</u>	<u>-</u>	<u>(1,086,124)</u>	<u>(790,233)</u>
Net change in fund balance	713,710	(82,965)	(1,074,430)	(443,685)
Fund balance, beginning of year	<u>10,177,874</u>	<u>171,135</u>	<u>11,758,003</u>	<u>22,107,012</u>
Fund balance, end of year	<u>\$10,891,584</u>	<u>\$ 88,170</u>	<u>\$ 10,683,573</u>	<u>\$ 21,663,327</u>

Warren Township High School District 121
Debt Service Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2014
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
General levy	\$ 6,078,717	\$ 6,035,397	\$ (43,320)	\$ 5,932,671
Interest on investments	<u>12</u>	<u>5</u>	<u>-</u>	<u>11</u>
Total local sources	<u>6,078,729</u>	<u>6,035,402</u>	<u>(43,320)</u>	<u>5,932,682</u>
Total revenues	<u>6,078,729</u>	<u>6,035,402</u>	<u>(43,320)</u>	<u>5,932,682</u>
Expenditures				
Payments to other districts and government units				
Other objects	<u>175,698</u>	<u>-</u>	<u>-</u>	<u>185,924</u>
Debt service				
Bonds - interest	<u>2,366,366</u>	<u>3,544,044</u>	<u>(1,177,678)</u>	<u>3,594,785</u>
Total debt service - interest	<u>2,366,366</u>	<u>3,544,044</u>	<u>(1,177,678)</u>	<u>3,594,785</u>
Principal payments on long-term debt	<u>3,536,665</u>	<u>3,652,183</u>	<u>(115,518)</u>	<u>2,730,000</u>
Other debt service				
Purchased services	<u>-</u>	<u>-</u>	<u>-</u>	<u>589,070</u>
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>589,070</u>
Total debt service	<u>5,903,031</u>	<u>7,196,227</u>	<u>(1,293,196)</u>	<u>6,913,855</u>
Total expenditures	<u>6,078,729</u>	<u>7,196,227</u>	<u>(1,117,498)</u>	<u>7,099,779</u>
Deficiency of revenues over expenditures	<u>-</u>	<u>(1,160,825)</u>	<u>(1,160,818)</u>	<u>(1,167,097)</u>

(Continued)

Warren Township High School District 121
Debt Service Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2014
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Other financing sources (uses)				
Principal on bonds sold	\$ -	\$ -	\$ -	\$ 34,305,000
Premium on bonds sold	-	-	-	1,399,945
Transfer to pay for principal on capital leases	-	162,916	(162,916)	-
Transfer to pay for interest on capital leases	-	9,523	(9,523)	-
Transfer to pay for principal on revenue bonds	566,959	-	566,959	-
Other sources not classified elsewhere	-	1,137,460	(1,137,460)	439,016
Deposit with escrow agent	-	-	-	<u>(35,444,647)</u>
Total other financing sources (uses)	<u>566,959</u>	<u>1,309,899</u>	<u>(742,940)</u>	<u>699,314</u>
Net change in fund balance	<u>\$ 566,959</u>	149,074	<u>\$(1,903,758)</u>	(467,783)
Fund balance, beginning of year		<u>3,026,779</u>		<u>3,494,562</u>
Fund balance, end of year		<u>\$ 3,175,853</u>		<u>\$ 3,026,779</u>

(Concluded)

Warren Township High School District 121
 Capital Projects Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
Interest on investments	\$ 2,391	\$ 329	\$ (2,062)	\$ 2,469
Contributions and donations from private sources	57,000	-	(57,000)	57,717
Impact fees from municipal or county governments	18,000	18,879	879	17,684
Other	-	43,603	43,603	-
Total local sources	<u>77,391</u>	<u>62,811</u>	<u>(14,580)</u>	<u>78,590</u>
State sources				
Other state sources	<u>1,576,910</u>	<u>1,699,249</u>	<u>122,339</u>	<u>9,961,090</u>
Total state sources	<u>1,576,910</u>	<u>1,699,249</u>	<u>122,339</u>	<u>9,961,090</u>
Total revenues	<u>1,654,301</u>	<u>1,762,060</u>	<u>107,759</u>	<u>10,039,680</u>
Expenditures				
Support services				
Capital outlay	<u>5,022,067</u>	<u>3,827,332</u>	<u>1,194,735</u>	<u>8,573,451</u>
Total support services	<u>5,022,067</u>	<u>3,827,332</u>	<u>1,194,735</u>	<u>8,573,451</u>
Total expenditures	<u>5,022,067</u>	<u>3,827,332</u>	<u>1,194,735</u>	<u>8,573,451</u>
Excess (deficiency) of revenues over expenditures	<u>(3,367,766)</u>	<u>(2,065,272)</u>	<u>1,302,494</u>	<u>1,466,229</u>

(Continued)

Warren Township High School District 121
 Capital Projects Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Other financing sources				
Permanent transfer from Working Cash Fund - abatement	<u>\$ 1,800,000</u>	<u>\$ 417,124</u>	<u>\$ 1,382,876</u>	<u>\$ -</u>
Total other financing sources	<u>1,800,000</u>	<u>417,124</u>	<u>1,382,876</u>	<u>-</u>
Net change in fund balance	<u><u>\$ (1,567,766)</u></u>	(1,648,148)	<u><u>\$ 2,685,370</u></u>	1,466,229
Fund balance, beginning of year		<u>1,656,017</u>		<u>189,788</u>
Fund balance, end of year		<u><u>\$ 7,869</u></u>		<u><u>\$ 1,656,017</u></u>

(Concluded)

Warren Township High School District 121
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUND - STUDENT ACTIVITY FUNDS
Year Ended June 30, 2014

	<u>Balance</u> <u>July 1, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2014</u>
Assets				
Cash and cash equivalents	\$ 429,839	\$ 1,216,405	1,142,910	\$ 503,334
Total assets	\$ 429,839	\$ 1,216,405	\$ 1,142,910	\$ 503,334
Liabilities				
Curricular Activity Accounts				
Art Club -NAHS	\$ 110	\$ -	\$ 110	\$ -
Art Club-Oplaine	59	110	-	169
Astronomy Club	150	658	524	284
Avanza	1,230	5,148	2,768	3,610
Band Clinic	24	-	-	24
Blue Devil Nation	-	1,926	1,925	1
Bookstore	13,765	33,020	24,752	22,033
Bully Prevention	188	-	-	188
Childrens Show	297	174	306	165
Chorus	19,017	44,818	45,968	17,867
Class of 2012	3,608	-	-	3,608
Class of 2013	370	-	-	370
Convenience Account	19,513	19,303	18,230	20,586
Council for Exceptional Children	577	115	341	351
Creations	1,775	698	1,122	1,350
Dance Club	93	-	-	93
Environmental Science Activity	2,186	75	75	2,186
FBLA	374	127,536	123,198	4,712
First Robotics Club	12,359	998	8,851	4,506
French Club	1,998	3,486	4,012	1,472
Frisbee Golf	283	140	192	231
Class of 2014	12,405	1,569	8,175	5,799
FY13-14 Junior Class	1,189	-	-	1,189
FY13-14 Senior Class	1,908	181,181	177,234	5,855
FY13-14 Soph Class	-	3,621	2,528	1,093
German Club	839	93	667	265
Industrial Tech Club	7,833	5,421	4,341	8,913
Jazz Club	1	-	-	1
Live Arts	354	348	350	352

(Continued)

Warren Township High School District 121
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUND - STUDENT ACTIVITY FUNDS
Year Ended June 30, 2014

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
Liabilities (Continued)				
Curricular Activity Accounts (Continued)				
Marching Arts	\$ 424	\$ 400	\$ 581	\$ 243
MECS Mother Earth	2,028	876	1,008	1,896
Multi-Cultural Club	4,155	1,882	2,471	3,566
National Honor Society	8,210	4,095	982	11,323
NHS - Spanish	1,498	2,092	1,336	2,254
Northern Area FBLA	6,459	10,302	9,936	6,825
Powerschool User Group	-	500	-	500
Project Discovery	100	-	-	100
Scratch Paper	2,511	540	697	2,354
Ski Club	2,329	10,458	10,346	2,441
Spanish Club	1,121	210	308	1,023
Speech Tournament	2,504	7,222	6,082	3,644
Sports Marketing	277	3,068	1,021	2,324
Spring Musical	2,029	5,217	5,289	1,958
Stadium Club-Donations	6,387	25,000	31,387	-
Stadium Club-Mulch	13,050	-	13,050	-
Staff Purchases	1	-	-	1
Student Council	27,359	38,357	32,089	33,627
Students of Service	1,573	1,010	1,300	1,283
Tech Crew	868	149	148	869
Thespian Troupe	8,226	12,103	10,175	10,154
Warren Fiber & Craft	126	189	176	139
Yearbook-Blue Devil	17,470	32,956	21,079	29,348
Athletic Activity Accounts				
Athletic Trainer Student Activ	3,175	4,903	3,829	4,249
Baseball Camp	177	57	177	57
Basketball Camp-Boys	12,875	16,805	21,212	8,468
Basketball Camp-Girls	6,136	6,210	7,989	4,357
Boys Baseball Student Activ	4,808	2,667	7,475	-
Boys Basketball Student Activ	1,605	6,328	6,643	1,289
Boys Cross Country Stdt Activ	129	-	-	129
Boys Golf Student Activ	11,032	5,300	6,415	9,917
Boys Soccer Student Activ	4,205	13,300	16,384	1,122

(Continued)

Warren Township High School District 121
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUND - STUDENT ACTIVITY FUNDS
Year Ended June 30, 2014

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
Liabilities (Continued)				
Athletic Activity Accounts (Continued)				
Boys Swimming Student Activ	\$ 398	\$ 11,045	\$ 4,611	\$ 6,832
Boys Tennis Student Activ	1,914	9,654	7,475	4,093
Boys Track Student Activ	-	1,742	1,634	108
Boys Volleyball Std't Activ	2,937	18,485	17,698	3,724
Cheerleading Student Activ	14,028	43,564	36,075	21,516
Cross Country Camp-Girls	1,280	2,053	1,050	2,283
Devilettes Student Activ	22,396	29,349	29,547	22,197
Football Camp	21,036	26,106	26,585	20,557
Football student Activ	26,576	31,904	40,039	18,441
Girls Basketball Std't Activ	3,306	5,583	4,569	4,320
Girls Bowling Student Activ	1,370	-	-	1,370
Girls Cross Country St Activ	1,914	19,686	21,280	321
Girls Golf Student Activ	3,098	2,163	2,708	2,554
Girls Soccer Student Activ	4,145	30,714	27,226	7,633
Girls Softball Student Activ	11,255	13,803	16,597	8,461
Girls Swimming Std't Activ	2,302	5,099	6,648	753
Girls Tennis Student Activ	4	452	395	61
Girls Track & Field St Activ	6,369	11,700	16,974	1,095
Girls Volleyball Student Activ	902	4,132	3,858	1,176
Gymnastics Std't Activ	-	1,050	612	438
Soccer Camp-Girls	6,158	4,942	7,232	3,868
Softball Camp	4,734	331	4,950	116
Tennis Camp-Boys	946	10,757	9,746	1,957
Tennis Camp-Girls	7,512	10,700	14,636	3,577
Volleyball Camp-Boys	2,732	4,795	3,929	3,598
Volleyball Camp-Girls	4,387	6,528	5,562	5,352
Wrestling Camp	1,941	5,275	5,955	1,261
Wrestling Clinic	359	-	155	204
Triathlon Club Activity	-	486	-	486

(Continued)

Warren Township High School District 121
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUND - STUDENT ACTIVITY FUNDS
Year Ended June 30, 2014

	<u>Balance</u> <u>July 1, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2014</u>
Convenience Accounts				
Athletic Invitationals	\$ 2,579	\$ 34,654	\$ 23,343	\$ 13,890
Band Boosters	990	19,535	15,143	5,382
Blue Devil Tech Institute	597	1,986	2,046	537
Global Fest	1,199	1,421	1,486	1,134
IHSA Athletic Tournaments	1,455	12,660	10,936	3,180
IHSA Speech	689	200	44	845
Library Fund	108	-	-	108
Mexico Trip	925	-	201	724
Spec Ed Life Skills	4	-	-	4
Summer Band Camp	25,000	24,503	27,194	22,308
Band Festival Trip 13/14	-	45,026	44,076	950
French Trip	-	64,479	64,479	-
Miscellaneous	<u>(13,058)</u>	<u>1,331,893</u>	<u>1,265,644</u>	<u>53,191</u>
 Total liabilities	 <u>\$ 429,839</u>	 <u>\$ 2,491,085</u>	 <u>\$ 2,417,590</u>	 <u>\$ 503,334</u>

(Concluded)

OTHER SUPPLEMENTAL INFORMATION
(Unaudited)

Warren Township High School District 121
OPERATING COSTS AND TUITION CHARGE
June 30, 2014 and 2013

Operating costs per pupil	2014	2013
Average Daily Attendance (ADA):	4,063.13	4,116.11
Operating costs:		
Educational	\$ 41,850,691	\$ 40,796,109
Operations and Maintenance	5,743,352	3,944,083
Debt Service	7,196,227	7,099,779
Transportation	3,764,433	3,759,434
Municipal Retirement/Social Security	1,708,574	1,596,086
Tort	603,635	586,339
Subtotal	60,866,912	57,781,830
Less Revenues/Expenditures of Non regular Programs:		
Payments to Other District and Gov't Units	2,450,624	2,566,278
Adult education	134,210	128,395
Summer school	290,390	292,103
Community services	4,324	9,253
Capital outlay	2,349,803	450,907
Debt principal retired	3,652,183	2,730,000
Non-capitalized equipment	259,618	769,491
Special education	2,363,655	2,469,662
Transportation fees	237,030	45,248
Subtotal	11,741,837	9,461,337
Operating costs	\$ 49,125,075	\$ 48,320,493
Operating costs per pupil - based on ADA	\$ 12,090	\$ 11,739
Tuition Charge		
Operating costs	\$ 49,125,075	\$ 48,320,493
Less - revenues from specific programs, such as special education or lunch programs	7,823,176	8,438,240
Net operating costs	41,301,899	39,882,253
Depreciation allowance	3,711,884	3,521,818
Allowance tuition costs	\$ 45,013,783	\$ 43,404,071
Tuition charge per pupil - based on ADA	\$ 11,079	\$ 10,545