

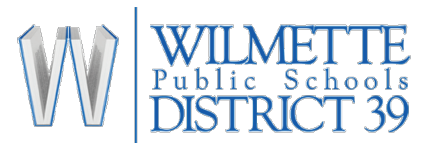


Wilmette

Public School District 39

Wilmette, Illinois

Comprehensive Annual Financial Report
Year ended June 30, 2010



COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
WILMETTE PUBLIC SCHOOLS DISTRICT 39
WILMETTE, ILLINOIS

For the Fiscal Year Ended June 30, 2010

Official Issuing Report
Dr. Crystal LeRoy, Director of Finance & Operations

Department Issuing Report
Business Office

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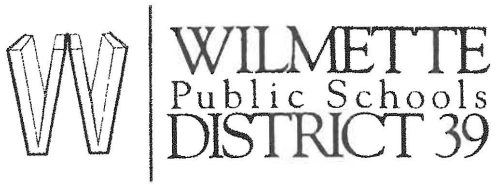
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November 16, 2010

President and Members of the
Board of Education
Wilmette Public Schools District 39
615 Locust Road
Wilmette, Illinois 60091

The Comprehensive Annual Financial Report of Elementary School District 39, Wilmette, Illinois, for the fiscal year ended June 30, 2010 is submitted herewith. The audit fieldwork was completed on August 19, 2010 and the report was subsequently issued. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data as presented are: (1) accurate in all material aspects, (2) presented in a manner designed to fairly set forth the financial position and results of operations of the District as shown by the disclosure of all financial activity of its various funds; and (3) that all disclosures necessary for maximum public understanding of the District's financial status have been incorporated in the report.

Generally accepted accounting principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the independent auditors' report.

BASIS OF ACCOUNTING AND REPORTING

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial and Statistical. The Introductory Section includes the transmittal letter, the District's organizational chart, and a list of principal officials. The Financial Section includes the management's discussion and analysis, government-wide financial statements, the fund financial statements, required supplementary information, individual fund statements, as well as the independent auditors' report. The Statistical Section includes a number of tables of unaudited data depicting the financial history of the District for the past ten years, demographics, and other miscellaneous information.

School District 39 is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-profit Organizations." Information related to this single audit, including the schedule of federal expenditures of federal awards, findings and recommendations and independent auditors' report on the internal control structure and compliance with applicable laws and regulations are included in a separate report.

This report includes all funds of the District. The District reports on the full accrual basis of accounting for its government-wide financial statements and modified accrual for its fund financial statements. These bases are applied to the District's budget and accounting records. The Notes to Basic Financial Statements expand upon these bases as well as the District's accounting policies and procedures. All District funds are included in this report and have been audited by Klein, Hall & Associates, LLC.

Mikaelian Education Center
615 Locust Rd
Wilmette, IL 60091
847-256-2450
847-256-1920 Fax

Central School
910 Central Ave
Wilmette, IL 60091
847-251-3252
847-251-4086 Fax

Harper School
1101 Dartmouth St
Wilmette, IL 60091
847-251-6754
847-251-4176 Fax

McKenzie School
649 Prairie Ave
Wilmette, IL 60091
847-251-2295
847-251-4067 Fax

Romona School
600 Romona Rd
Wilmette, IL 60091
847-256-0211
847-251-4153 Fax

Higheest Middle School
569 Hunter Rd
Wilmette, IL 60091
847-853-2900
847-256-0083 Fax

Wilmette Junior High School
620 Locust Rd
Wilmette, IL 60091
847-256-7280
847-256-0204 Fax

GENERAL INFORMATION

The District is located approximately 15 miles north of the Chicago Loop, bordering Lake Michigan and comprises most of the Village of Wilmette and a small portion of Glenview. The village is a residential community with a population of about 26,300. It consists of moderate to high-income residential housing and a prosperous commercial downtown area. There is no heavy industry in Wilmette. Wilmette, as a community, is built out. Changes in single-family residential units consist almost exclusively of tear-downs with rebuilds ranging from \$900,000 to well over \$1.5 million per residence. New multi-dwelling units are also primarily tear-downs with rebuilds ranging from \$600,000 to \$900,000 per residential unit.

District 39 was founded in 1901 and currently includes four elementary schools, one middle school, one junior high school and an administration building and had an enrollment of 3,715 in 2010. An elected 7-member Board of Education and a full-time administrative staff govern the District. The District employs 588 persons. Of these, 16 are administrators, 344 are teachers and 228 are non-certified personnel. Elementary students in the District continue their education at New Trier Township High School, which is recognized as one of the leading high school educational institutions in the United States.

District 39 enjoys a high level of parental participation and involvement because parents make it a priority to be involved in their children's education. Many adults are engaged in professional pursuits. The high academic level characterizing the community contributes to the respect citizens have for quality education. As a result, citizens devote substantial time and effort to ensure that excellence prevails.

Community involvement is of paramount importance to District 39. Integral to the community is the Wilmette Educational Foundation, which provides financial assistance to support individual, school, and community endeavors. Teachers, administrators, the Board of Education, and community members value the Foundation as well. Community members are also involved in the Community Review Committee that helps study and prioritize goals for the school district.

REPORTING ENTITY

The District defines its reporting entity by applying the criteria set forth in GASB 14 to potential component units. Briefly, a component unit is an organization for which the District is financially accountable or other organizations that, because of the nature or significance of their relationship with the District, would cause the District's financial statements to be misleading or incomplete if they were omitted from the reporting entity. These criteria are discussed in more detail in Note 1 to the general purpose financial statements.

Using these criteria, management has determined that the District has no component units, nor is it a component unit of any other organization.

DISTRICT FUNDS

The District's accounts are organized as separate accounting entities called funds. District resources are allocated to and accounted for in individual funds as required by the State of Illinois. Each fund has specific functions based upon the purposes for which the District's resources are to be expended. This allows for a more controlled process of spending activities. The following describes the fund types implemented in School District 39:

- 1) **General Fund** – accounts for the revenues and expenditures that are used in providing the educational program for the children of the District.
- 2) **Special Revenue Funds** – account for specific revenue sources that are legally restricted to expenditures for specified purposes (e.g., Operations and Maintenance, Transportation, Working Cash and Municipal Retirement/Social Security).
- 3) **Debt Service Fund** – accounts for the accumulation of resource for, and the payment of, general long-term debt principal, interest, and related costs. All bond issues are maintained through the Bond and Interest Fund.
- 4) **Capital Projects Fund** – accounts for financial resources to be used for the acquisition or construction of major capital facilities.
- 5) **Agency Fund** – accounts for the assets held by the District for student organizations.

ACCOUNTING SYSTEMS AND BUDGETARY CONTROL

The financial statements have been prepared in accordance with generally accepted accounting principles that are appropriate to local governmental units of this type. The presentation allows the reader to obtain an overview of the District's financial operations by viewing the basic financial statements in the front section of the report. All of the figures used in the following discussion were obtained or derived from these financial statements, attached herewith.

In developing and evaluating the District's accounting system, consideration is given to the adequacy of the internal accounting controls. Such controls are designed to provide reasonable, but not absolute, assurance for the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. We believe that our internal accounting controls adequately safeguard District assets and provide reasonable assurance of proper recording of financial data. Budgetary control is maintained at line item levels and built up into program and cost centers before being combined to create fund totals. All actual activity compared to budget is reported to the District's administrative team and to the Board of Education on a monthly basis. The monthly report compares each line item account balance to the annual budget with accumulation to the cost center, fund, and total district levels. Full disclosures are made if extraordinary variances appear during the year.

GENERAL GOVERNMENTAL ACCOUNTING FUNCTIONS

The District has three sources of revenue: local, state, and federal. By far the largest source, and the source the District is most dependent on, is the local source.

Revenues for general District functions of all Governmental Fund Types totaled \$54,783,800, an increase of 11.50% when compared to FY 2009.

<i>Revenue Sources</i>	<i>2010 Amount (\$000)</i>	<i>Percent of Total</i>	<i>Increase (Decrease) from 2009 (\$000)</i>	<i>Percentage Increase (Decrease) from 2009</i>
<u>LOCAL REVENUES</u>				
Property Taxes	\$39,235	71.62%	\$3,867	10.93%
Personal Property	374	0.68%	(105)	-21.92%
Replacement Taxes				
Earnings on Investments	379	0.69%	(183)	-32.56%
Other	<u>3,778</u>	<u>6.90%</u>	<u>634</u>	<u>20.16%</u>
Total Local Revenues	43,766	79.89%	4,213	10.65%
State and Federal Sources	<u>11,018</u>	<u>20.11%</u>	<u>1,439</u>	<u>15.02%</u>
TOTAL REVENUE	<u>\$54,784</u>	<u>100.00%</u>	<u>\$5,652</u>	<u>11.50%</u>

Total Local Revenues posted a net increase of 10.65% in Fiscal Year 2010 when compared to the preceding fiscal year. The increase in the county multiplier, the Consumer Price Index (CPI) used in the property tax calculation and new property growth all contributed to the increase. However, Senate Bill 2125, which shifts the distribution of the first installment of property taxes from 50% to 55% of the prior year taxes, accounts for the majority of the increase in local property taxes. Low interest rates on investments resulted in lower than expected interest earnings for Fiscal Year 2010. Despite \$798,661 in uncollected State payments, revenue received from State and Federal Sources increased by 15.02% primarily due to increased aid for stimulus programs and the on-behalf payment by the state. The on-behalf payments made by the State to the Teachers' Retirement System (TRS) increased by \$1.7 million or 38.92%.

Allocations of the 2009 property tax levy and the preceding two levy years are as follows (per \$100 of assessed value):

<i>Fund Type</i>	<i>Levy Year</i>		
	<i>2009</i>	<i>2008</i>	<i>2007</i>
General (Educational)	1.3386	1.3838	1.3899
Operations & Maintenance	0.1783	0.1895	0.2044
Transportation	0.0000	0.0056	0.0117
Municipal Retirement	0.0208	0.0316	0.0260
Social Security	0.0303	0.0474	0.0260
Working Cash	0.0137	0.0000	0.0287
Debt Service	0.0612	0.0654	0.0698
Tort Immunity	0.0280	0.0365	0.0364
Life Safety	0.0352	0.0365	0.0390
Special Education	<u>0.0097</u>	<u>0.0151</u>	<u>0.0156</u>
Total Tax Rate	<u>1.7158</u>	<u>1.8114</u>	<u>1.8475</u>
Collection/Levy	<u>52.48%</u>	<u>98.81%</u>	<u>98.54%</u>

The expenditures of the major functions of all governmental fund types increased by \$2,630,384 from the prior fiscal year. This represents a percentage increase of 4.83%. Variances in levels of expenditures for major functions of the District over the preceding year are shown in the following tabulation:

<i>Expenditures</i>	<i>2010 Amount (\$000)</i>	<i>Percent of Total</i>	<i>Increase (Decrease) from 2009 (\$000)</i>	<i>Percentage Increase (Decrease) from 2009</i>
<u>Function</u>				
Instruction	\$33,627	58.86%	\$3,431	11.36%
Support Services	18,372	32.16%	780	4.43%
Debt Service	2,069	3.62%	(80)	-3.72%
Capital Outlay	2,051	3.59%	(1,556)	-43.14%
Non-programmed Charges	<u>1,011</u>	<u>1.77%</u>	<u>55</u>	<u>5.75%</u>
TOTAL EXPENDITURES	<u>\$57,130</u>	<u>100.00%</u>	<u>\$2,630</u>	<u>4.83%</u>

Increases in expenditures specifically to instruction are associated with employee compensation packages and an increase in on-behalf payments (payments made by a third party for the benefit of the District, such as payments made by the State to the Teachers' Retirement System). These payments are made in accordance with GASB No. 24. As stated earlier, the State's contribution increased by 38.92% in Fiscal Year 2010.

The 11.36% increase in Instruction is primarily due to the increase in health insurance benefits.

Capital outlay expenditures decreased 43.14% due to an overall reduction of capital improvement expenditures throughout the district. Tuition paid (non-programmed charges) for special education programs increased in Fiscal Year 2010. This increase is primarily due to the District's continued effort to bring special education services back into the District. These additional services provided to our students will continue to decrease the out of district tuition expense in coming years.

Under separate collective bargaining agreements with the teachers' and support staff unions, actual labor costs increased by 2.1% in Fiscal Year 2010. Salaries account for 64.7% of total operating expenditures and 65.9% of General (Educational) Fund expenditures.

CAPITAL ASSETS

The capital assets of the District are those assets used in the performance of general governmental functions. As of June 30, 2010, the District's capital assets, net of accumulated depreciation, amounted to \$36.1 million. This amount represents the actual and estimated original cost of the assets and is considerably less than their present replacement value.

Depreciation of capital assets is shown in order to satisfy the compliance with Governmental Accounting Standards Board Statement Number 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments but is generally not recognized in the District's accounting system. The District utilizes the assistance of an outside appraisal service for the appraisal, control and inventory of fixed assets. Although annual adjustments to inventory were made, a physical inventory had not been conducted since 2003. The appraisal service conducted a thorough physical inventory of the District's assets and equipment during the 2009-2010 Fiscal Year. This resulted in a reduction in value of capital assets in the amount of \$1,789,788. Annual updates to the inventory report will continue until the next physical inventory occurs.

Annual appraisals are used for the updating of replacement values for insurance purposes with the District providing historical cost information. The District participates in a property casualty insurance cooperative pool comprised of more than 60 school district members. The cooperative maintains a \$250,000 self-insured retention to insure losses up to \$1,000,000. Beyond that limit, outside third party specific and aggregate coverage is purchased to protect the District from severe financial losses.

ECONOMIC OUTLOOK

The District's mature tax base is characterized by resident socioeconomic levels that are among the highest in the state and nation. In addition its strong financial operations are supported by ample reserves and manageable debt burden.

The District's fully developed and affluent tax base will continue to experience steady growth for the foreseeable future based on its desirable location on the North Shore of Lake Michigan. The District continues to maintain a solid tax base and still experience some growth, mostly through residential teardowns and reassessment. Resident socioeconomic indicators greatly exceed state and national levels.

The District maintains strong financial operations by implementing prudent fiscal policies, conservative management and maintaining ample reserves. The District ended FY 2010 with a Educational Fund balance of \$13.6 million, or an adequate 30.3% of Educational Fund revenues. Adding to the district's financial flexibility is a FY 2010 Working Cash Fund balance of \$0.72 million, contributing to a combined operating fund balance of 17.2 million. The district receives the majority of its operating revenues from property taxes (71.6% of FY 2010 revenues) followed by state and

federal aid (20.1%). The district's policy is to maintain an operating fund balance floor (Educational, O&M, Transportation, IMRF & Social Security Tort Immunity & Judgment and Working Cash) in excess of 40% of annual expenditures. In FY10, the level dropped below the 40% threshold at 34%.

The Illinois General Assembly has imposed property tax legislation on all Cook County school districts. The legislation is designed to limit increases in property tax extensions. The limitation slows the growth of property tax revenues to school districts when property values and assessments are increasing faster than the rate of inflation. The legislation limits the levy increase to the lesser of five percent or the increase in the consumer price index (CPI) for the year preceding the levy year. This combined with the use of prior year equalized assessed valuation (EAV) generate property tax receipts. The use of the CPI and prior year EAV variables in property tax calculations is intended to "restrict" the amount of increase in a school district's levy request.

The administration in collaboration with the Board of Education will continue to provide an exemplary educational experience for all students in the District 39 community. With that being said, district administration continues to analyze long-range forecast financial projections, which are used in prudent fiscal planning sessions with the members of the Board of Education. The long-range financial forecast indicates that the district can no longer continue to deficit spend. By FY12, the district will have a balanced budget. Decreasing expenditures, increasing revenues, or a combination of both will accomplish this.

MAJOR INITIATIVES

Curricular and Technological Improvements

The district developed a five-year replacement plan to purchase desktop and laptop computers. Phase one of this replacement plan was implemented during the 2008-2009 school year. The replacement cycle continued in 2009-2010. Additionally, a new district-wide phone system and comprehensive wireless system were installed.

Improvements to District Facilities

The district had several capital improvement and life safety projects during the 2009-2010 school year. The following summarizes the projects by school:

Central Elementary School

- Repaired and replaced lockers
- Refinished classroom doors
- Asphalt work

Harper Elementary School

- Upgraded intercom system
- Upgraded ventilation for kitchen
- Asphalt work

McKenzie Elementary School

- Asphalt work

Romona Elementary School

- Upgraded intercom system

Highcrest Middle School

- Installation of retractable bleachers in Gym C
- Installation of sink and bathroom in functional academics classroom
- Replaced flooring in Gym C corridor
- Wiring installation for LCD projectors in classrooms
- Retubed boiler

Wilmette Junior High School

- Upgraded HVAC system
- Upgraded plumbing
- Repaired and replaced lockers in corridors and boy's locker room

INDEPENDENT AUDIT

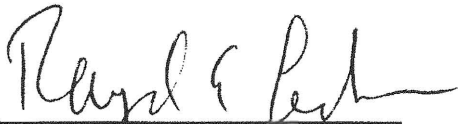
The School Code of Illinois and the District's adopted policy require an annual audit of the books of accounts, financial records and transactions of all funds of the District. The audit is performed by independent certified public accountants selected by the District's Board of Education. The independent auditors' opinion has been included in the Financial Section of this report.

ACKNOWLEDGEMENT

It is our belief that this Comprehensive Annual Financial Report will provide the District's management, outside investors, and interested local citizens with a most meaningful financial condition as of June 30, 2010.

We extend our appreciation to the members of the Board of Education for their interest and support in planning and conducting the financial operations of the District in a responsible, progressive manner.

Respectfully Submitted,



Dr. Raymond E. Lechner
Superintendent of Schools



Dr. Crystal S. LeRoy
Business Manager

WILMETTE PUBLIC SCHOOL DISTRICT 39

615 Locust Road
Wilmette, Illinois 60091

Comprehensive Annual Financial Report

Year Ended June 30, 2010

List of Principal Officials

Board of Education		Term Expires
Keith Dronen	President	2011
Karen L. Donnan	Vice-President	2011
Kimberly W. Alcantara	Member	2013
Pamela A. Davidson	Member	2013
John M. Flanagan	Member	2013
Cindy Levine	Member	2013
Judy I. Schnecke	Member	2011

District Administration

Dr. Raymond Lechner	Superintendent
Dr. Toni Shinner	Assistant Superintendent
Dr. Crystal S. LeRoy	Business Manager
Dr. Margaret Clauson	Administrator for Human Resources
Mrs. Denise Thrasher	Administrator for Student Services
Mr. Adam Denenberg	Director of Technology and Media Services

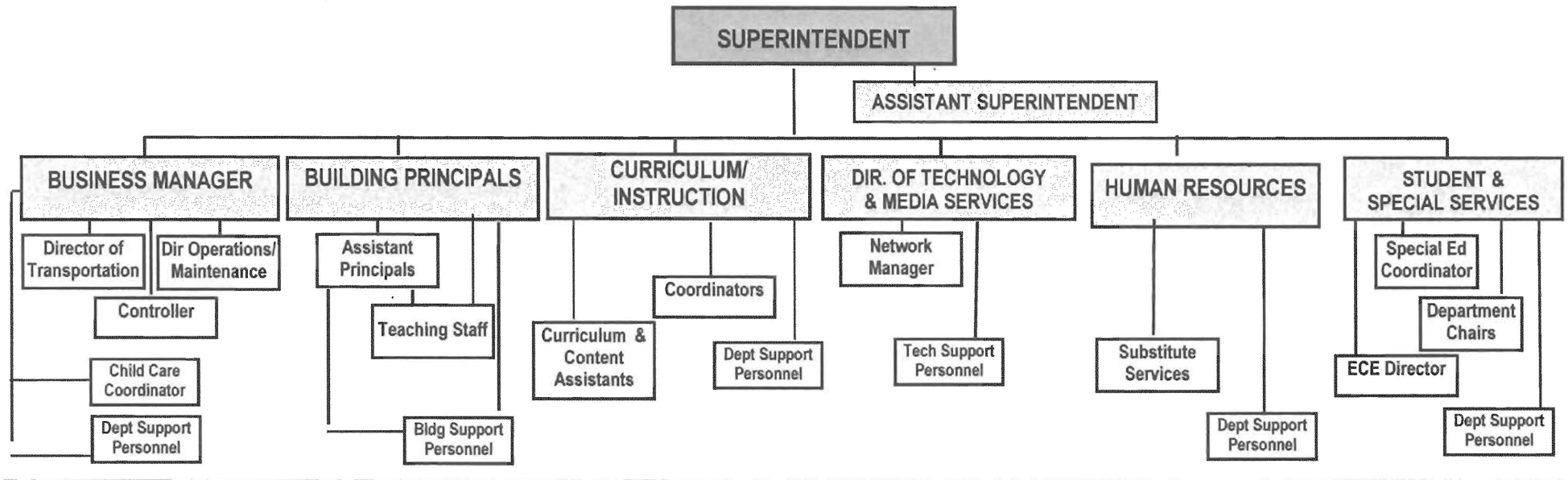
Official Issuing Report

Dr. Crystal S. LeRoy
Business Manager

Department Issuing Report

Business Office

Wilmette Public Schools District 39



x

ADMINISTRATIVE FUNCTIONS Superintendent

- ◆ Provide professional leadership in education throughout the school system. Represent the district in an official or public capacity.
- ◆ Establish and maintain a sound organizational structure which provides all essential functions of the school system.
- ◆ Direct the long-term planning of the educational program including assessment, curriculum development, revision and the adoption of new programs.
- ◆ Inform and advise the Board of Education relative to the educational program and school operations, prepare agendas, and serve as Secretary to the Board.
- ◆ Coordinate and direct the preparation of the annual school budget and continually appraise school plant needs.
- ◆ Coordinate and direct the employee selection process, salary administration and personnel benefits program.

Business Manager	Building Level Administrators	Administrator for Curriculum/Instruction	Director of Technology and Media Services	Administrator for Human Resources	Administrator for Student & Special Services
<ul style="list-style-type: none"> ◆ Accounting/Auditing ◆ Accounts Receivable/ Payable ◆ Before School Child Care ◆ Budget Management ◆ Building and Grounds ◆ Food Services ◆ Investments ◆ Life/Safety Management ◆ Payroll ◆ Rentals ◆ Risk Management/ Insurance ◆ Transportation 	<ul style="list-style-type: none"> ◆ Building Level Public Relations ◆ Coordination of Building Special Services ◆ Coordination with PTA/PTO ◆ Home/School Communications ◆ Oversight of Instruction ◆ School-Improvement Planning ◆ Selection of Employees ◆ Site-based Facility Operations ◆ Student Safety ◆ Support Staff Evaluation ◆ Teacher Evaluation 	<ul style="list-style-type: none"> ◆ Assessment Program ◆ Curriculum Development ◆ Curriculum Review ◆ Gifted Education ◆ Grant Coordination ◆ Instructional Program ◆ Research Coordination ◆ School Improvement Process ◆ Staff Development 	<ul style="list-style-type: none"> ◆ Instructional Technology ◆ Technology Integration ◆ Media Services ◆ District LAN/WAN Operations ◆ District Email Services ◆ Information Systems ◆ Data Management ◆ Coordinates Building Technical Support ◆ Hardware/Software Evaluation & Maintenance ◆ Technology Planning ◆ Educational Technology Professional Development ◆ Web Site Development & Management ◆ Content Filtering 	<ul style="list-style-type: none"> ◆ Contract Management ◆ Employee Discipline/Due Process ◆ Employee Evaluation ◆ Grievance, Arbitration ◆ Induction of New Employees ◆ Personnel Planning ◆ Policy Revision ◆ Recruitment/Selection ◆ Retirement/Recognition ◆ Substitute Services ◆ Title IX Coordination 	<ul style="list-style-type: none"> ◆ Student and Special Services ◆ ISBE Approved Special Education Director ◆ Health Services ◆ ELL Services ◆ Counseling Services ◆ Home/Hospital Services ◆ Private/Parochial School Services ◆ Student Registration and Records ◆ Wilmette Board of Health ◆ Student Discipline and Truancy ◆ ADA/504 Compliance Monitor ◆ Safe Schools ◆ Special Education Finance

Revised: July 16, 2007

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL



This Certificate of Excellence in Financial Reporting is presented to

WILMETTE PUBLIC SCHOOL DISTRICT 39

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2009

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

President

Executive Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Wilmette Public School
District 39, Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized, handwritten signature in black ink, appearing to read "JRE".

President

A stylized, handwritten signature in black ink, appearing to read "Jeffrey R. Ennis".

Executive Director

Independent Auditors' Report

Board of Education
Wilmette Public Schools District 39
Wilmette, Illinois

We have audited the accompanying financial statements of governmental activities, each major fund, and the aggregate remaining fund information of Wilmette Public Schools District 39 as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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 Wilmette Public Schools District 39 as of June 30, 2010, and the respective changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2010, on our consideration of the Wilmette Public Schools District 39'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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing results of our audit.

Board of Education

Accounting principles generally accepted in the United States of America require, that the management's discussion and analysis and required supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's response 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Wilmette Public Schools District 39's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory section and statistical sections have 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 assurance on it.



Klein, Hall & Associates, LLC
Aurora, Illinois
September 29, 2010

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
In Accordance with *Government Auditing Standards*

Board of Education
Wilmette Public School District 39
Wilmette, Illinois

We have audited the financial statements of Wilmette Public School District 39 as of and for the year ended June 30, 2010, and have issued our report thereon dated September 29, 2010. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Wilmette Public School District 39 internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Wilmette Public School District 39's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Entity's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is reasonable possibility that a material misstatement of the District's financial statements will not be prevented or detected and corrected on a timely basis.

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

Compliance and Other Matters

As a part of obtaining reasonable assurance about whether Wilmette Public School District 39 financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our

Board of Education

tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

In accordance with SAS No. 114 *The Auditor's Communication With Those Charged With Governance* we have issued a separate letter dated September 29, 2010 to the Board of Education addressing those required communications.

We noted certain matters that we reported to management of Wilmette Public School District 39 in a separate letter dated September 29, 2010.

This report is intended solely for the information and use of the audit committee, management and the Illinois State Board of Education, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in cursive script that reads "Klein, Hall & Associates, LLC".

Klein, Hall & Associates, LLC
Aurora, Illinois
September 29, 2010

Wilmette Public Schools District 39

Management's Discussion and Analysis

For the Year Ended June 30, 2010

The discussion and analysis of Wilmette Public Schools District 39's (the District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2010. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. All amounts, unless otherwise indicated, are expressed in millions of dollars. 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

- For the ninth year in a row, the District will retain the ISBE's highest rating. Financial recognition, for FY10 and its overall weighted score remained a 3.55 on a 4-point scale.
- General revenues accounted for \$41.2 or 75.4% of total revenue. General revenues consisted of property tax revenues of \$39.3, other local revenues of \$0.6 and Federal and State aid not restricted to specific purposes of \$1.3.
- The District had \$54.5 in expenses related to government activities, of which, \$13.4 were offset by program specific charges, grants and contributions.
- The District committed just over \$2.2 for Life Safety projects this year.
- The District's long-term debt margin remains a healthy 91.2% for FY10 with an accessible debt capacity of \$138.0.
- The District made a transfer from the Fire Prevention & Safety Fund to the Debt Service Fund for \$0.8 to cover debt principal and interest payments. The District also permanently transferred \$0.5 from the Working Cash Fund to the General (Educational) Fund.

Overview of the Financial Statements

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

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

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

Government-wide financial statements

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

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

Wilmette Public Schools District 39

Management's Discussion and Analysis

For the Year Ended June 30, 2010

The statement of activities presents information showing how the government's net assets changed during the fiscal year being reported. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of 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). With the exception of the district's summer school enrichment program, the District has no business-type activities; that is, functions that are intended to recover all or a significant portion of their costs through user fees and charges. The District's governmental activities include instructional services (regular education, special education and other), supporting services, operation and maintenance of facilities and transportation services.

Fund financial statements

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

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

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

The District maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and Debt Service Funds, which are considered to be major funds. The Transportation, Municipal Retirement, Working Cash, Tort Immunity and Fire Prevention and Safety Fund are considered non-major funds.

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

Wilmette Public Schools District 39
Management's Discussion and Analysis
For the Year Ended June 30, 2010

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

Notes to the financial statements

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

Other information

In addition to the basic financial statement 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 and other post employment benefits.

Wilmette Public Schools District 39
Management's Discussion and Analysis
For the Year Ended June 30, 2010

Government-Wide Financial Analysis

Net Assets: The District's total assets are \$77.9, total liabilities are \$38.1 and the total net assets for the year ending June 30, 2010 are \$39.8. (See Table 1)

		Table 1	
		Condensed Statement of Net Assets	
		<i>(in millions of dollars)</i>	
		<u>2009</u>	<u>2010</u>
Assets:			
Current assets		\$46.2	\$41.7
Other assets		0.2	0.2
Capital assets		37.8	36.0
Total assets		<u>84.2</u>	<u>77.9</u>
Liabilities:			
Current liabilities		24.6	22.7
Long-term debt outstanding		16.3	15.4
Total liabilities		<u>40.9</u>	<u>38.1</u>
Net assets:			
Invested in capital assets, net of related debt		25.0	21.3
Restricted		1.3	2.3
Unrestricted		17.0	16.2
Total net assets		<u>\$43.3</u>	<u>\$39.8</u>

Wilmette Public Schools District 39
Management's Discussion and Analysis
For the Year Ended June 30, 2010

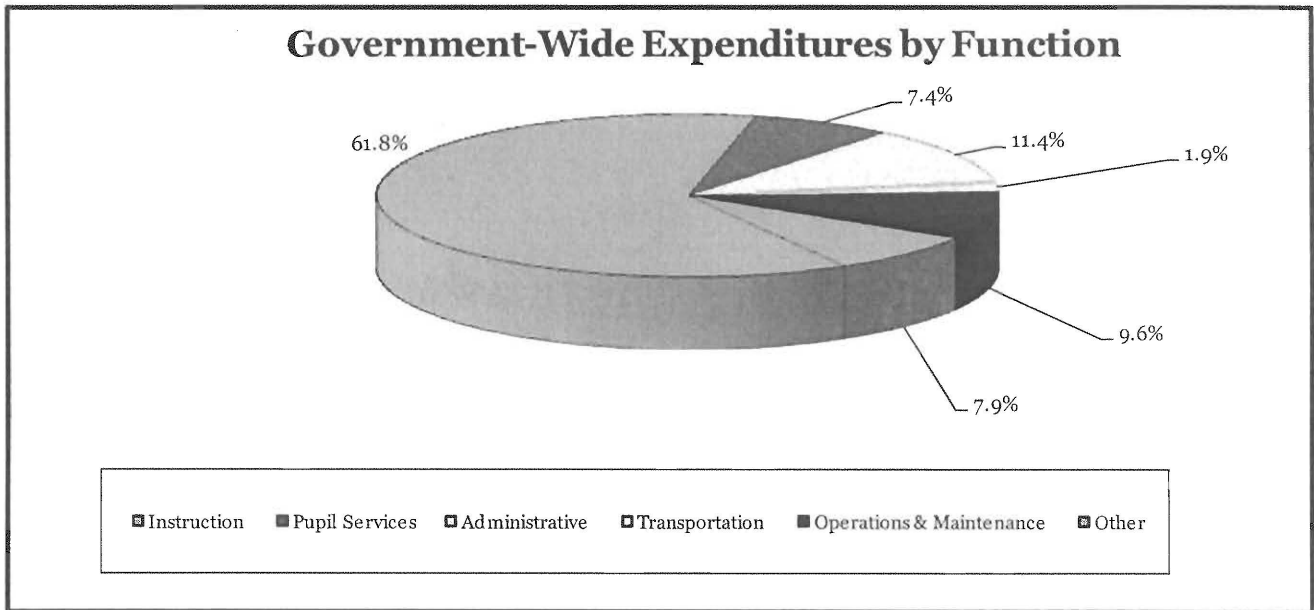
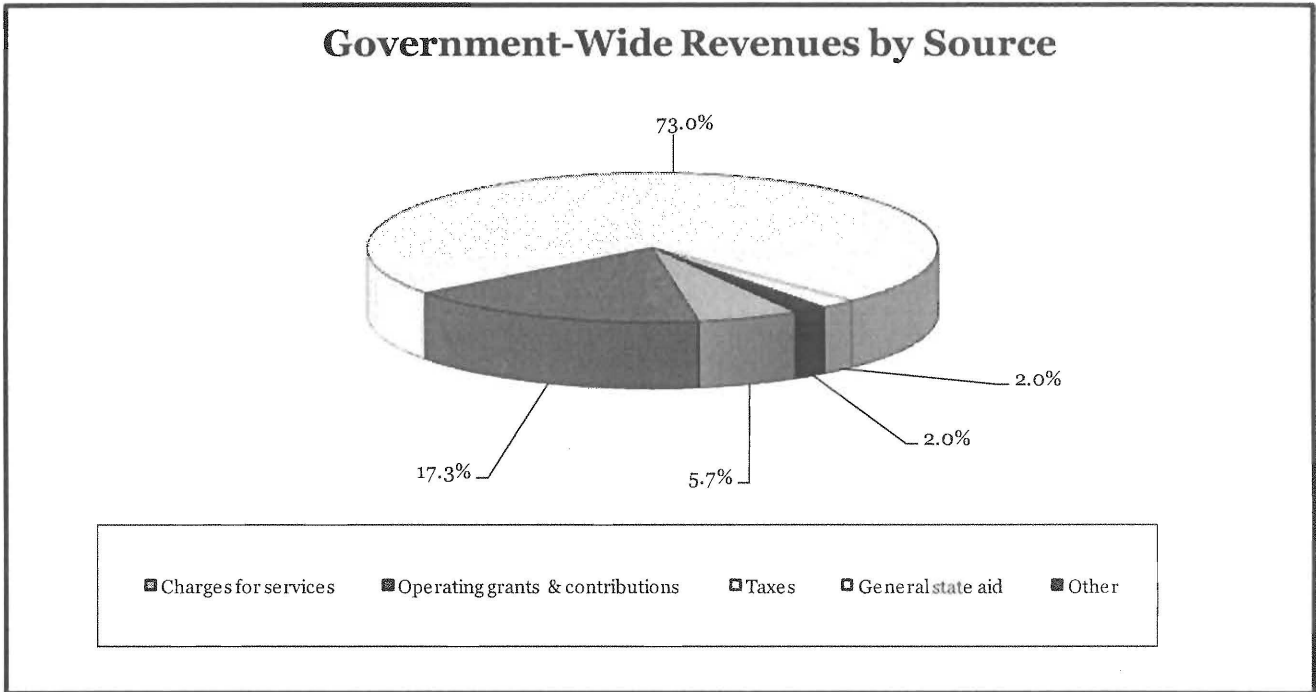
Changes in net assets: The District's net assets decreased by \$3.5 due to a write down of capital assets. (See Table 2)

Table 2
Changes in Net Assets
(in millions of dollars)

	<u>2009</u>	<u>2010</u>
Revenues:		
Program revenues:		
Charges for services	\$2.8	\$ 3.7
Operating grants & contributions	8.5	9.7
General revenues:		
Taxes	35.9	39.2
General state aid	1.0	1.3
Other	1.0	0.6
Total revenues	<u>\$49.2</u>	<u>\$54.5</u>
Expenses:		
Instruction	\$32.7	\$35.6
Pupil & instructional services	3.9	4.0
Administration & business	6.0	5.9
Transportation	1.0	1.1
Operations and maintenance	5.1	3.4
Other	4.2	4.5
Total expenses	<u>\$52.9</u>	<u>\$54.5</u>
Extraordinary Item	\$ -	\$(3.5)
Increase (decrease) in net assets	\$(3.7)	\$(3.5)

Property taxes accounted for most of the District's revenue, contributing about 72 cents of every dollar raised. The remainder comes from restricted and unrestricted state and federal, fees charged for services and miscellaneous sources. The total cost of all programs and services was \$54.5. The District's expenses are predominantly (74.7%) related to instruction, pupil services and transportation of students.

Wilmette Public Schools District 39
Management's Discussion and Analysis
For the Year Ended June 30, 2010



Wilmette Public Schools District 39

Management's Discussion and Analysis

For the Year Ended June 30, 2010

Financial Analysis of the District's Funds

The statement of net assets includes capital assets and long-term liabilities and therefore presents a financial picture that is different from the traditional modified accrual statements. As the District completed the year, the ending fund balance in all funds was \$19.0, a \$2.3 decrease for the year.

General (Educational) Fund

FY10 Educational Fund expenditures exceeded revenues by \$0.7. Local revenues increased by \$3.6 or 11.8% compared to last year. State educational aid increased by 13.0% and federal aid increased 30.7% over 2009. Overall expenditures contributed to the enhancements of the instructional programs, negotiated certified staff salary increased, rising costs in health insurance premiums, and technology improvements. The increase in General (Educational) Fund expenditures were held to 5.7% resulting in a year-end fund balance of \$13.6.

Tort Immunity Fund

In FY10, the Tort Immunity Fund revenues were \$0.76 and expenditures were \$0.66 resulting in a year-end fund balance of \$0.10.

Operations and Maintenance Fund

In FY10, the Operations and Maintenance Fund revenues were \$4.13 and expenditures were \$3.98 resulting to a year-end fund balance of \$2.18. Expenditures included \$0.44 in capital outlay for facilities improvement projects that fall outside the scope of designated Life Safety projects.

Transportation Fund

Overall, the FY10 Transportation Fund expenditures exceeded revenues by \$0.18. Revenue decreased by 13.3% primarily due to property tax receipts and decrease in ridership. The District intentionally levied less in the Transportation Fund in order to levy more in the Education Fund. Expenditures increased by 7.67% primarily due to the purchase of one new bus.

Illinois Municipal Retirement Fund

The Municipal Retirement/Social Security Fund revenues exceeded expenditures by \$0.21 resulting in a year end fund balance of \$0.19.

Working Cash Fund

The Working Cash Fund received \$0.29 in tax levy proceeds and interest income. The District uses Working Cash Funds to help support operations through interfund transfers and loans when necessary. The ending fund balance for FY10 was \$0.72.

Wilmette Public Schools District 39
Management's Discussion and Analysis
For the Year Ended June 30, 2010

Debt Service Fund

The Debt Service Fund had an excess of revenues and other financing sources over expenditures of \$0.17 and ended with a balance of \$1.51.

Fire Prevention and Life Safety Fund

In FY08, the issuance of \$7.6 in long-term debt obligations provided the Fire Prevention and Life Safety Fund the necessary resources to complete designated Life Safety Projects identified through the 10-year Life Safety Survey. The ending fund balance was \$0.36.

Capital Asset and Debt Administration

Capital assets

In FY10 the District wrote down the value of in capital assets by \$3.5. This is reflected as an extra ordinary item on the statement of activities. The District's capital assets consist of a total investment of \$69.0 (\$36.0 net of accumulated depreciation). Total depreciation expense for the year was \$2.8. More detailed information about capital assets can be found in Note 4 to the basic financial statements.

Table 3		
Capital Assets (net of depreciation)		
<i>(in millions of dollars)</i>		
	<u>2009</u>	<u>2010</u>
Land	\$0.6	\$0.6
Construction in progress	0.6	-
Land improvements	1.4	1.9
Buildings	32.1	29.4
Vehicles & Equipment	3.1	4.1
Total	<u>\$37.8</u>	<u>\$36.0</u>

Wilmette Public Schools District 39
Management's Discussion and Analysis
For the Year Ended June 30, 2010

Long-term debt

In 2010 the District retired \$1.39 in bonds and debt certificates. At the end of fiscal year 2010, the District had a debt margin of \$128.6. More detailed information can be found in Note 5 of the basic financial statements.

Table 4		
Outstanding Long-Term Debt		
<i>(in millions of dollars)</i>		
	<u>2009</u>	<u>2010</u>
General obligation bonds	\$11.9	\$11.1
Debt certificates & other	4.3	3.6
Total	<u>\$16.2</u>	<u>\$14.7</u>

ISBE Financial Profile

The Illinois State Board of Education evaluated the financial integrity of all public school districts based on five standard indicators: operational balance-to-revenue ratio, operational expenditure-to-revenue ratio, operational cash-on-hand, short term debt capacity and long term debt capacity. These scores are weighted and summed to yield a total profile score.

Projected District 39 FY 2010 ISBE Financial Profile Calculations					
Indicator	Value	Rating	Weighting	District Score	Max Possible
Balance to revenue	38.40%	4	0.35	1.40	1.40
Expenses to revenue	101.30%	3	0.35	1.05	1.40
Cash on hand	167.03%	3	0.1	0.30	0.40
Short term debt	100.00%	4	0.1	0.40	0.40
Long term debt	89.58%	4	0.1	0.40	0.40
Total				3.55	4.00

The District's total profile score last year was 3.55 out of a possible 4.00. The projected score for FY10 is 3.55 out of a possible 4.00. Based on this state formula, the District will continue to be placed in the ISBE's highest category, "Recognition", for financial integrity. In the previous 9 years, the District has scored 4.00 in all but FY04, FY06, FY08, FY09 and FY10 when it received a 3.55.

Wilmette Public Schools District 39

Management's Discussion and Analysis

For the Year Ended June 30, 2010

Factors Bearing on the District's Future

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

- Since 1995, the District has been subject to tax cap legislation. This legislation severely limits the ability of the District to increase revenues proportionate to the increase in expenditures. The increase in expenditures are due to such factors as the expansion of instructional programming to meet the needs of the students, rising health care costs, contributed implementation of technology and facility needs. Balancing future budgets will continue to be a difficult challenge.
- The District's certified staff contract went into effect in fiscal year 2009 and will directly affect instructional expenditures through fiscal year 2013.
- The District's support staff negotiated a new contract that will take effect in fiscal year 2011. The two-year contract will directly influence expenditure patterns through fiscal year 2012.
- Refunds from property tax appeals continue to have a negative effect on net local property tax revenue receipts.
- As a result of Senate Bill 2125, Cook County's first installment property taxes were 55% of the prior year, rather than 50%. This had a positive impact on our property tax revenue for FY10, however this will decrease the second installment that will be received in FY11.
- The gradual diminishing of financial reserves will necessitate the need to balance the budget. Decreasing expenditures, increasing revenues or a combination of both will accomplish this.

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:

Wilmette Public Schools District 39
Mikaelian Education Center
615 Locust Road
Wilmette, IL 60091
(847) 256-2450

WILMETTE PUBLIC SCHOOLS DISTRICT 39
STATEMENT OF NET ASSETS
JUNE 30, 2010

	Governmental Activities
Assets:	
Cash and investments	\$ 22,862,884
Receivables:	
Property taxes	17,590,181
Due from other governments	1,168,503
Other	5,102
Prepaid items	98,928
Deferred charges	152,089
Capital assets:	
Land and construction in progress	610,765
Other capital assets, net of depreciation	35,441,414
Total Assets	77,929,866
Liabilities:	
Accounts payable	542,265
Accrued salaries and related expenditures	3,792,202
Unearned revenue	18,340,928
Noncurrent liabilities:	
Due within one year	1,440,000
Due in more than one year	13,302,766
Other postemployment benefits	700,490
	38,118,651
Net Assets:	
Invested in capital assets, net of related debt	21,309,413
Restricted for:	
Debt service	1,506,688
Capital projects	751,215
Unrestricted	16,243,899
Total net assets	\$ 39,811,215

See accompanying notes to basic financial statements

WILMETTE PUBLIC SCHOOLS DISTRICT 39
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2010

<u>Functions</u>	<u>Expenses</u>	<u>Program Revenues</u>			Net (Expense)
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	Revenue and Changes in Net Assets Total Governmental Activities
Governmental Activities:					
Instructional services:					
Regular programs	\$ 27,739,550	\$ 1,617,246	\$ 6,451,579	\$ -	\$ (19,670,725)
Special programs	7,865,829	366,466	3,046,249	-	(4,453,114)
Support services:					
Pupils	2,770,540	-	-	-	(2,770,540)
Instructional staff	1,236,682	-	15,262	-	(1,221,420)
General administration	1,556,024	-	-	-	(1,556,024)
School administration	1,752,180	-	-	-	(1,752,180)
Business	2,618,117	1,195,981	39,492	-	(1,382,644)
Operation and maintenance					
of facilities	3,436,890	16,130	10,400	-	(3,410,360)
Transportation	1,062,364	506,143	136,050	-	(420,171)
Central	2,084,898	-	-	-	(2,084,898)
Other	766,797	-	-	-	(766,797)
Community Services	87,955	-	-	-	(87,955)
Non programmed charges	923,504	-	-	-	(923,504)
Interest on long-term liabilities	644,916	-	-	-	(644,916)
Total school district	<u>\$ 54,546,246</u>	<u>\$ 3,701,966</u>	<u>\$ 9,699,032</u>	<u>\$ -</u>	<u>(41,145,248)</u>
General revenues:					
Property taxes levied for:					
General purposes					30,175,028
Specific purposes					7,651,920
Debt service					1,408,484
Federal and state aid not restricted to specific purposes					1,318,443
Earnings on investments					157,013
Miscellaneous					449,558
					<u>41,160,446</u>
					Change in net assets before extraordinary item 15,198
					<u>(3,535,330)</u>
					Change in net assets (3,520,132)
					<u>43,331,347</u>
					<u>\$ 39,811,215</u>

See accompanying notes to basic financial statements

WILMETTE PUBLIC SCHOOLS DISTRICT 39
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2010

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>				
Assets:				
Cash and investments	\$ 19,348,735	\$ 1,498,891	\$ 2,015,258	\$ 22,862,884
Receivables:				
Property taxes	15,296,704	628,657	1,664,820	17,590,181
Due from other governments	1,080,646	-	87,857	1,168,503
Due from other funds	-	-	3,000	3,000
Other	4,516	239	347	5,102
Prepaid Items	-	-	98,928	98,928
TOTAL ASSETS	<u>\$ 35,730,601</u>	<u>\$ 2,127,787</u>	<u>\$ 3,870,210</u>	<u>\$ 41,728,598</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 441,950	\$ -	\$ 100,315	\$ 542,265
Due to other funds	-	-	3,000	3,000
Accrued salaries and related expenditures	3,745,649	-	46,553	3,792,202
Deferred revenue	15,751,454	621,099	1,968,375	18,340,928
Total Liabilities	<u>19,939,053</u>	<u>621,099</u>	<u>2,118,243</u>	<u>22,678,395</u>
Fund Balances:				
Reserved:				
Reserved for prepaid items	-	-	98,928	98,928
Unreserved - undesignated	15,791,548	1,506,688	-	17,298,236
Unreserved - undesignated, reported in:				
Nonmajor special revenue fund	-	-	1,292,400	1,292,400
Nonmajor capital projects fund	-	-	360,639	360,639
Total Fund Balances	<u>15,791,548</u>	<u>1,506,688</u>	<u>1,751,967</u>	<u>19,050,203</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 35,730,601</u>	<u>\$ 2,127,787</u>	<u>\$ 3,870,210</u>	<u>\$ 41,728,598</u>

See accompanying notes to basic financial statements

WILMETTE PUBLIC SCHOOLS DISTRICT 39
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2010

Total fund balances - governmental funds \$ 19,050,203

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

Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds. The cost of the assets is \$68,975,115 and the accumulated depreciation is \$32,922,936. 36,052,179

Deferred charges included in the statement of net assets are not available to pay for current period expenditures and accordingly, are not included in the governmental funds balance sheet. 152,089

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

Long-term debt	(14,742,766)
Other postemployment benefits	<u>(700,490)</u>

Net assets of governmental activities \$ 39,811,215

WILMETTE PUBLIC SCHOOLS DISTRICT 39
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2010

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
REVENUES				
Local sources	\$ 38,162,620	\$ 1,440,970	\$ 4,162,735	\$ 43,766,325
State sources	8,695,761	-	72,450	8,768,211
Federal sources	2,185,664	-	63,600	2,249,264
Total Revenues	49,044,045	1,440,970	4,298,785	54,783,800
EXPENDITURES				
Current operating:				
Instruction	32,986,693	-	640,359	33,627,052
Supporting services	15,747,174	-	2,624,408	18,371,582
Community services	80,082	-	7,873	87,955
Non-programmed charges	923,504	-	-	923,504
Debt service				
Principal	-	1,385,000	-	1,385,000
Interest and other	-	683,859	-	683,859
Capital Outlay	-	-	2,051,020	2,051,020
Total Expenditures	49,737,453	2,068,859	5,323,660	57,129,972
Excess (deficiency) of revenues over expenditures	(693,408)	(627,889)	(1,024,875)	(2,346,172)
OTHER FINANCING SOURCES (USES)				
Transfers in	550,000	802,700	-	1,352,700
Transfers out	-	-	(1,352,700)	(1,352,700)
Total other financing sources (uses)	550,000	802,700	(1,352,700)	-
Net change in fund balances	(143,408)	174,811	(2,377,575)	(2,346,172)
Fund Balances at beginning of year	15,934,956	1,331,877	4,129,542	21,396,375
FUND BALANCES AT END OF YEAR	\$ 15,791,548	\$ 1,506,688	\$ 1,751,967	\$ 19,050,203

See accompanying notes to basic financial statements

WILMETTE PUBLIC SCHOOLS DISTRICT 39
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2010

Net change in fund balances - total governmental funds **\$ (2,346,172)**

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$1,500 are capitalized and the cost is allocated over their estimated lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlays	\$ 4,541,333	
Depreciation expense	<u>(2,795,791)</u>	1,745,542

The proceeds from the sale of capital assets are reported as revenue in the governmental funds. However, the cost of the capital assets are removed from the capital asset account in the statement of net assets and offset against the proceeds from the sale of capital assets resulting in a loss on the sale of capital assets in the statement of activities

Loss on adjustment of capital assets		(3,535,330)
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Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These activities consist of:

Decrease in interest receivable		(222,356)
Decrease in interest payable		45,009
Increase in other postemployment benefits		(585,759)

The governmental funds record bond and loan proceeds as other financing sources, while repayment of bond and loan principal is reported as an expenditure. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of bonds and loans and related items is as follows:

Repayment of bond and loan principal	\$ 1,385,000	
Bond premium amortization	24,951	
Bond discount amortization	(3,484)	
Deferred refunding	(6,888)	
Deferred charges amortization	<u>(20,645)</u>	<u>1,378,934</u>

Change in net assets of governmental activities **\$ (3,520,132)**

WILMETTE PUBLIC SCHOOLS DISTRICT 39
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUND - ACTIVITY FUNDS
YEAR ENDED JUNE 30, 2010

Assets:

Cash	<u>\$ 157,240</u>
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Liabilities:

Due to organizations	<u>\$ 157,240</u>
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See accompanying notes to basic financial statements

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (Continued)
June 30, 2010

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Wilmette Public School District 39 (the District) operates as a public school system governed by a seven member board. The District is organized under the School Code of the State of Illinois, as amended. The accounting policies of the District conform to accounting principles generally accepted in the United States of America, as applicable to local governmental units of this type. The following is a summary of the more significant accounting policies of the District:

a. The Reporting Entity

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

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

Joint Ventures - The District is also a member of the following organization:
- Wilmette County Special Education Agreement (see Note 11)

b. Basis of Presentation – Governmental Funds Financial Statements

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (Continued)

June 30, 2010

The statement of activities demonstrates the degree to which the direct expense of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to students 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 instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

c. Basis of Accounting/Measurement Focus

The government-wide financial statements and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fiduciary fund reporting focuses on net assets and changes in net assets. The agency funds are custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities in the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Interest associated with the current fiscal period is considered to be susceptible to accrual and so has been recognized as a revenue of the current period. All other revenue items are considered to be measurable and available only when the District receives the cash.

The District reports the following major governmental funds:

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (Continued)

June 30, 2010

Maintenance Account that are legally mandated by the State of Illinois.

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

Additionally, the District reports the following fund types:

The Student Activities Agency Fund (a fiduciary fund) accounts for assets held on behalf of student groups.

Private-sector standards of accounting, and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the GASB.

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

d. Deposits and Investments

State statutes authorize the District to invest in obligations of the U.S. Treasury, certain highly rated commercial paper, corporate bonds, repurchase agreements, and State Treasurer's Investment Pool. Investments are stated at fair value, which is the market value as determined by published reports of such values.

e. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as 'due to/from other funds'. These amounts are eliminated in the governmental activities column in the statement of net assets. Receivables are expected to be collected within one year.

f. Revenues – Exchange and nonexchange transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year-end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (Continued)

June 30, 2010

grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements that specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes, interest, grants, entitlements and student fees.

g. Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

h. Property Tax Revenues

The District must file its tax levy ordinance by the last Tuesday in December of each year. The District's 2009 levy ordinance was approved during the December 8, 2009 board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year. The District's annual property tax levy is subject to two statutory limitations: Individual fund rate ceilings and the Property Tax Extension Limitation Act (PTELA).

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

Property taxes are collected by the 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 March 1 and the second due on August 1 for property located in Cook County. Property taxes are normally collected by the District within 60 days of the respective installments dates. Due to the allocation method used, individual fund rates for Cook County may exceed the statutory limits; however, the combined extension is limited to the statutory rate limits extended on the combines

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (Continued)
June 30, 2010

equalized assessed valuation.

The 2009 property tax levy is recognized as a receivable in fiscal 2010. The District considers that the first installment of the 2009 levy is to be used to finance operations in fiscal 2010. This District has determined that the second installment of the 2009 levy is to be used to finance operations in fiscal 2011 and has deferred the corresponding receivable.

i. Personal Property Replacement Taxes

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

j. Prepaid Items

Certain payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid assets under the consumption method.

k. Capital Assets

Capital assets, which include land, buildings, buildings improvements, vehicles, equipment, and construction in progress are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$1,500 and an estimated useful life of one year or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of an asset are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized.

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

Assets	Years
Buildings and building improvements	20-75 years
Land improvements	20-75 years
Furniture, equipment and vehicles	5-20 years

l. Compensated Absences

Employees receive twelve sick days annually. The certified staff could accumulate up to 216

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (Continued)
June 30, 2010

days and the non-certified staff could accumulate up to 180 days. Sick leave is not paid out upon termination.

Non-certified employees receive two to four weeks vacation time each fiscal year depending upon years of service. As of June 30, 2010 any vacation time earned has not been accrued since amount is immaterial. Certified employees who work less than 12 calendar months per year do not earn vacation days.

m. Long-Term Obligations

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

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

n. Equity Classifications

Equity is classified as net assets and displayed in three components:

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

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

Unrestricted net assets – All other net assets that do not meet the definition of ‘restricted’ or ‘invested in capital assets, net of related debt.’

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.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (Continued)
June 30, 2010

o. Reserved Fund Balances

In the governmental funds financial statements, the District reserves those portions of fund balances which are legally segregated for a specific purpose or do not represent amounts available for other appropriations.

p. Comparative Data

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

June 30, 2009, from which such information was derived.

q. Eliminations and Reclassifications

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

r. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

a. Excess of Expenditures over Budget

For the year ended June 30, 2010, expenditures exceeded budget in the following funds:

	Budget	Actual	Excess
General Fund – Educational Account	\$43,682,765	\$45,760,702	\$2,077,937
Transportation Fund	923,400	1,017,483	94,083

The expenditure variances were sufficiently absorbed by surpluses that existed at the beginning of the fiscal year and were approved by the Board of Education. Under the State Budget Act expenditures may exceed the budget if additional resources are available to finance such expenditures.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (Continued)
June 30, 2010

NOTE 3. CASH AND INVESTMENTS

Deposits and Custodial Credit Risk

Investments held by the District which are short-term highly liquid investments having a remaining maturity of one year or less at the time of purchase are reported by the District at amortized cost. All other investments are reported at fair value. Gains or losses on the sale of investments are recognized upon realization. The District has adopted a formal written investment and cash management policy. The institutions in which investments are made must be approved by the Board of Education.

At June 30, 2010 the carrying amount of the District's deposits, which include both cash and certificates of deposit (excluding cash on hand of \$255), totaled \$6,971,681 and the bank balances totaled \$7,927,108. 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 government does not have a deposit policy for custodial credit risk. These amounts were entirely insured or collateralized as of June 30, 2010

As of June 30, 2010, the District has the following investments and maturities:

<i>Investment Type</i>	<i>Fair Value</i>	<i>Maturities (in years) Less than 1</i>	<i>Percent of Portfolio</i>	<i>Applicable Agency Rating</i>
Other Investments:				
Illinois School District Liquid Asset Fund	\$11,158,430	\$11,158,430	69.5%	AAAm
IIIT-Cash Management Funds	4,889,758	4,889,758	30.5%	A-1+
Total Investments	\$16,048,188	\$16,048,188	100%	

The Illinois School District Liquid Asset Fund and the Illinois Investors Fund (IIIT) are not-for-profit investment trusts. The values of the positions in these investment trusts are the same as the value of the pool shares.

Interest Rate Risk. The District's investment policy seeks to ensure the 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 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.

Credit Risk. The District's investments are rated, as shown above, by the applicable rating agency.

Concentration of Credit Risk. The District places no limit on the amount of the District may invest any one issuer. More than 5 percent of the District's investments are concentrated in specific

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (Continued)

June 30, 2010

individual investments. The above table indicates the percentage of each investment to the total investments of the District.

Custodial Credit Risk. With respect to deposits, custodial credit risk is the risk that, in the event of bank failure the District's deposits may not be returned to them. 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 insured by collateral.

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

Separate cash and investment accounts are not maintained for all District funds; instead, the individual funds maintain their invested and uninvested balances in the common account balance attributable to each participating fund.

Occasionally certain funds participating in the common bank accounts will incur overdrafts (deficits) in the account. The overdrafts results from expenditures that have been approved by the Board of Education.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (Continued)
June 30, 2010

NOTE 4. CAPITAL ASSETS

A summary of changes in capital assets follows:

	<i>Balance</i> <i>June 30,</i> <i>2009</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance</i> <i>June 30,</i> <i>2010</i>
Capital assets, not being depreciated:				
Land	\$ 610,765	\$ -	\$ -	\$ 610,765
Construction in Process	578,045	-	578,045	-
Total capital assets not being depreciated	<u>1,188,810</u>	-	<u>578,045</u>	<u>610,765</u>
Capital assets, being depreciated:				
Land Improvements	1,705,145	-	(770,698)	2,475,843
Buildings	50,379,939	3,153,751	(85,152)	53,618,842
Equipment and Vehicles	6,661,951	1,387,582	(4,220,132)	12,269,665
Total capital assets being depreciated	<u>58,747,035</u>	<u>4,541,333</u>	<u>(5,075,982)</u>	<u>68,364,350</u>
Accumulated depreciation for:				
Land Improvements	308,142	116,706	(136,935)	561,783
Buildings	18,275,090	1,826,873	(4,138,232)	24,240,195
Equipment and Vehicles	3,510,646	852,212	(3,758,100)	8,120,958
Total accumulation depreciation	<u>22,093,878</u>	<u>2,795,791</u>	<u>(8,033,267)</u>	<u>32,922,936</u>
Total capital assets being depreciated, net	<u>36,653,153</u>	<u>1,745,542</u>	<u>2,957,285</u>	<u>35,441,414</u>
Total capital assets, net	\$ 37,841,967	\$ 1,745,542	\$ 3,535,330	\$ 36,052,179

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

Instructional Services:

Regular Programs	\$ 1,769,735
Special Programs	81,078
Other instructional programs	19,571

Supporting Services:

Pupils	92,261
Instructional staff	232,051
General administration	44,733
School administration	106,240
Business	173,339
Transportation	123,015
Operations and maintenance	106,240
Other supporting services	47,528
	<u>\$ 2,795,791</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (Continued)
June 30, 2010

NOTE 5. LONG-TERM DEBT

During the year ended June 30, 2010, the following changes occurred in Long-Term Debt:

	<i>Balance</i> <i>July 1,</i> <i>2009</i>	<i>Additions</i>	<i>Reductions</i>	<i>Balance</i> <i>June 30,</i> <i>2010</i>	<i>Amount due</i> <i>in one year</i>
General Obligation Bonds	\$ 11,895,000	\$ -	\$ 740,000	\$ 11,155,000	\$ 770,000
Deferred Refunding	(79,897)	-	(6,888)	(73,009)	-
Unamortized Premium	100,563	-	24,951	75,612	-
Unamortized Discount	(38,321)	-	(3,484)	(34,837)	-
Total Bonds Payable	\$ 11,877,345	\$ -	\$ 754,579	\$ 11,122,766	\$ 770,000
Debt Certificates	4,265,000	-	645,000	3,620,000	670,000
Total Long-Term Debt	\$ 16,142,345	\$ -	\$ 1,399,579	\$ 14,742,766	\$ 1,440,000

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</u> <u>Rates</u>	<u>Original</u> <u>Indebtedness</u>	<u>Face</u> <u>Amount</u>	<u>Carrying</u> <u>Amount</u>
Series Refunding Life Safety dated February 21, 2001 are due in annual installments through June 1, 2017	3.5%- 5.75%	\$ 10,150,000	\$ 6,040,000	\$ 5,300,000
Series Refunding and Working Cash dated March 1, 2004 are due in annual installments through June 1, 2019	3.55%- 3.75%	2,370,000	2,230,000	2,230,000
Series Refunding Life Safety dated July 1, 2007 are due in annual installments through June 1, 2022	4.00%- 4.20%	3,625,000	3,625,000	3,625,000
Total		\$16,145,000	\$11,895,000	\$11,155,000

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (Continued)

June 30, 2010

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

<i>Fiscal Year Ending June 30,</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2011	\$ 770,000	\$ 491,735	\$ 1,261,735
2012	805,000	457,470	1,262,470
2013	840,000	415,610	1,255,610
2014	890,000	313,259	1,255,872
2015	940,000	856,109	1,253,259
2016-2020	5,430,000	313,259	6,286,109
2021-2022	1,480,000	41,390	1,521,390
Total	\$ 11,155,000	\$ 2,941,445	\$ 14,096,445

In prior years, the District defeased certain general obligations and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2010 \$1,370,000 of bonds outstanding are considered defeased.

Defeased General Obligation Bonds Outstanding

The District is subject to the Illinois Compiled Statutes which limits the amount of bond indebtedness, including the certificate of participation, to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2010, the statutory debt limit for the District was \$151,313,063 providing a debt margin of \$138,044,751 after taking into account amounts available in the Debt Service Fund.

Certificates of Participation

In the fiscal year 2008, the District issued \$4,885,000 in Debt Certificates with an average interest rate of 4.05%. The net proceeds of \$4,879,118 (after payment of underwriting fees, insurance, and other insurance costs) were used for various projects for fire protection and safety. The debt certificates will be repaid from the Debt Service Fund.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (Continued)
June 30, 2010

Annual debt service requirements to maturity for debt certificates are as follows:

<i>Fiscal Year Ending June 30,</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2011	\$ 670,000	\$ 131,400	\$ 801,400
2012	695,000	104,100	799,100
2013	725,000	75,700	800,700
2014	755,000	46,100	801,100
2015	775,000	15,500	790,500
Total	\$ 3,620,000	\$ 372,800	\$ 3,992,800

NOTE 6. RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters. To protect from such risks, the District participates in the entity risk pools (see Notes 9 and 10). SSCIP for its general liability and property coverage and School Employees Loss Fund (SELF) for workers' compensation claims. The District pays annual premiums to the pools for insurance coverage. The arrangements with the pools provide that each will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain levels established by the pools. There have been no significant reeducations in insurance coverage from coverage in any of the past three fiscal years.

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

NOTE 7. RETIREMENT FUND COMMITMENTS

Illinois Teachers' Retirement System

The District participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The State of Illinois maintains primary responsibility for the funding of the plan, but contributions from participating employers and members are also required. The TRS Board of Trustees is responsible for the System's administration.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (Continued)

June 30, 2010

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

The State of Illinois makes contributions directly to TRS on behalf of the District's TRS-covered employees. The District's total payroll reported to TRS for the year ended June 30, 2010 was \$25,646,797.

On-behalf contributions. The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2010, State of Illinois contributions were based on 23.38 percent of creditable earnings not paid from federal funds, and the District recognized revenue and expenditures of \$5,942,511 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2008, and June 30, 2007, the State of Illinois contribution rates as percentages of creditable earnings not paid from federal funds were 17.08 percent (\$4,219,477) and 13.18 percent (\$3,111,418), respectively.

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

2.2 Formula Contributions. Employers contribute 0.58 percent of creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2010 were \$148,751. Contributions for the years ending June 30, 2009, and June 30, 2008, were \$147,255 and \$137,652, respectively.

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

For the year ended June 30, 2010, the employer pension contribution was 23.38 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2009 and 2008 the employer contribution was 17.08 and 13.11 percent of salaries paid from federal and special trust funds, respectively. For the year ended June 30, 2010, salaries totaling \$229,727 were paid from federal and special trust funds that required employer contributions of \$53,710. For the years ended June 30, 2009 and June 30, 2008, required district contributions were \$116,922 and \$78,774, 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.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (Continued)

June 30, 2010

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

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

For the year ended June 30, 2010, the District paid \$172,308 to TRS for employer contributions under the ERO program. For the years ended June 30, 2009 and June 30, 2008, the District paid \$84,321 and \$537,037 in employer ERO contributions, respectively.

Salary increases over 6 percent and excess sick leave. Public Act 94-0004 added two new employer contributions to TRS.

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

For the year ended June 30, 2010, the District paid \$0 to TRS for employer contributions due on salary increases in excess of 6 percent. For the years ended June 30, 2009 and 2008, the District paid \$56,871 and \$6,736 in employer contributions due on salary increases in excess of 6 percent, respectively.

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

For the year ended June 30, 2010, the District paid \$0 to TRS for sick leave days granted in the excess of the normal annual allotment. For the years ended June 30, 2009 and 2008, the District paid \$12,219 and \$17,620 in employer contributions granted for sick leave days.

TRS financial information, an explanation of TRS' benefits, and descriptions of member, employer and state funding requirements can be found in the TRS *Comprehensive Annual Financial Report* for the year ended June 30, 2009. The report for the year ended June 30, 2010, is expected to be available in late 2010. The reports may be obtained by writing to the Teachers' Retirement System of the State of Illinois, P.O. Box 19253, 2815 West Washington Street, Springfield, IL 62794-9253. The most current report is also available on the TRS Web site at trs.illinois.gov.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (Continued)

June 30, 2010

Teacher Health Insurance Security (THIS)

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

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

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

On Behalf Contributions to THIS Fund. The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 0.84 percent of pay during the year ended June 30, 2010. State of Illinois contributions were \$215,433, and the district recognized revenue and expenditures of this amount during the year.

State contributions intended to match active member contributions during the years ended June 30, 2009 and June 30, 2008 were also 0.84 percent of pay. State contributions on behalf of district employees were \$213,266, and \$199,359 respectively.

Employer contributions to THIS Fund. The District also makes contributions to THIS Fund. The District THIS Fund contribution was 0.63 percent during the years ended June 30, 2010, June 30, 2009 and 2008. For the year ended June 30, 2010, the District paid \$161,575 to the THIS Fund. For the years ended June 30, 2009 and June 30, 2008, the District paid \$159,949 and \$149,519, respectively, which was 100 percent of the required contribution.

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (Continued)

June 30, 2010

Illinois Municipal Retirement Fund

Plan Description. The employer's defined benefit pension plan for Regular employees provides retirements and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. Your employer plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), and 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 statement and required supplementary information. That report may be obtained online at www.imrf.org.

Funding Policy. As set by statute, your employer Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statutes required employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2009 was 7.27 percent of annual covered payroll. Your employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost. For the fiscal year ended December 31, 2009, your employer's annual pension cost of \$465,089 for the Regular plan was equal to your employer's required and actual contributions.

Three-Year Trend Information for the Regular Plan

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2009	\$ 465,089	100%	\$0
12/31/2008	443,885	100%	0
12/31/2007	458,155	100%	0

The required contribution for 2009 was determined as part of the December 31, 2007, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2007, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10.0% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of your employer Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor between the actuarial and market value of assets. Your employer Regular plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at the December 31, 2007 valuation, was 23 years.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (Continued)

June 30, 2010

Funded Status and Funding Progress. As of December 31, 2009, the most recent actuarial valuation date, the Regular plan was 76.98 percent funded. The actuarial accrued liability for benefits was \$10,897,993 and the actuarial value of assets was \$8,389,077, resulting in an underfunded actuarial accrued liability (UAAL) of \$2,508,916. The covered payroll (annual payroll of active employees covered by the plan) was \$6,397,377 and the ratio of the UAAL to the covered payroll was 39 percent. In conjunction with the December 2009 actuarial valuation the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. In 2010, the unfunded actuarial accrued liability is being amortized on a level percentage of projected payroll on an open 30 year basis.

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

NOTE 8. OTHER POST EMPLOYMENT BENEFITS

Plan Description

The medical and dental benefit plans for the District are single-employer defined benefit plans administered by the District. The District has the authority to establish and amend benefit provisions of the medical and dental benefit plans. The District has the authority to establish and amend benefit provisions of the medical and dental benefit plans. The District issues a publicly available financial report that includes financial statements and required supplementary information for the medical and dental benefit plans.

Monthly Retiree Contributions

Retirees make no contributions toward the cost of District postretirement benefit plans.

Employer Contributions

The postretirement benefit plans for the District are funded on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation

The Annual OPEB Cost is calculated based on the Annual Required Contribution (ARC) of the employer, 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 amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of Annual OPEB Cost:

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (Continued)

June 30, 2010

	<u>FY 2009</u>	<u>FY 2010</u>
Annual Required Contribution	\$ 676,463	\$ 738,882
Interest on net OPEB obligations	0	8,080
Adjustment to annual required contribution	<u>0</u>	<u>(15,065)</u>
Annual OPEB cost (expense)	\$ 676,463	\$ 731,897
Estimated Contributions made by the District	<u>\$ 353,272</u>	<u>\$ 354,598</u>
Increase in net OPEB obligation	\$ 323,191	\$ 377,299
Net OPEB obligation – Beginning of Year	<u>0</u>	<u>\$ 323,191</u>
Net OPEB obligation – End of Year	<u>\$ 323,191</u>	<u>\$ 700,490</u>

Note: The Net OPEB obligation at the beginning of the year is zero because GASB Statement No. 45 was implemented prospectively, effective July 1, 2009.

The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the Net OPEB obligation at the end of the year is as follows:

	<u>FY 2009</u>	<u>FY 2010</u>
Annual OPEB cost (expense)	\$ 676,463	\$ 731,897
Estimated contributions made by District	353,272	357,598
Percentage of Annual OPEB Cost Contributed	52.2%	48.4%
Net OPEB Obligation as of December 31, 2010	\$ 323,191	\$ 700,490

Actuarial valuations of an ongoing plan involve 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 to past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of the valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial 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.

Valuation Method

The method used for the medical and dental benefit plans is called the projected Unit Credit Method. According to this method an equal amount of an employee's projected benefit is allocated to each

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (Continued)
June 30, 2010

year from the date the employee first enters the plan until the date the employee is first eligible to receive benefits.

Valuation of Assets

There are no assets that have been set aside to fund the liabilities for this plan. These plans are funded on a pay-as-you-go basis.

Eligible Plan Participants

All active and retired employees who are participants in the medical and dental benefit plans as of the date this valuation was performed are included in the calculations in this report.

Actuarial Assumptions

These are the actuarial assumptions used for this valuation.

Valuation Date	July 1, 2008
Interest Rate	2.5%
Amortization Method	Level Dollar Amount, Open
Amortization Period for Actuarial Accrued Liability	30 Years
Amortization Factor	21.454
Percent of Current Spouses Electing Coverage	N/A
Mortality Table	RP-2000 with a 2 year setback

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

NOTE 9. SUBURBAN SCHOOL COOPERATIVE INSURANCE POOL (SSCIP)

The District is a member of SSCIP, a voluntary cooperative agency consisting of Illinois public school districts and joint agreements. SSCIP's purpose is to manage and fund first-party property losses and third-party liability claims of its members. Each member district has a financial responsibility to make annual contributions based on property values, student enrollment, personnel employed, past loss history and vehicles owned.

No material decreases in insurance coverages have occurred nor have any insurance claims in excess of insurance coverages have paid or reported during the last three years.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (Continued)

June 30, 2010

Complete financial statements of SSCIP are available from its Treasurer at 5540 Arlington Drive, Hanover Park, IL 60103.

NOTE 10. SCHOOL EMPLOYEES LOSS FUND (SELF)

The District is a member of SELF, which has been formed to reduce local school districts' workers' compensation costs. SELF is controlled by a Board of Directors which is composed of representatives designed by each school district. The day-to-day operations of SELF are managed through and Executive Board elected by the Board of Directors. Each member district has a financial responsibility for annual membership contributions, which are calculated to provide for administrative expenses, specific and aggregate excess insurance coverage, and the funding of a portion of anticipated losses and loss adjustment expenses which will be borne directly by the membership. The losses and loss adjustment expenses to be borne by the membership are those which must be incurred prior to the attachment of excess insurance coverage. Complete financial statements for SELF can be obtained from their accountant at Two Pierce Place, Itasca, IL 60143.

NOTE 11. JOINT VENTURE – WILMETTE COMMUNITY SPECIAL EDUCATION AGREEMENT (WCSEA)

The District and other districts have entered into a joint agreement to provide special education programs and services to the students enrolled. Each member district has a financial responsibility for annual and special assessments as established by the policy board.

Complete financial statements for the Agreement can be obtained from the Administrative Offices at 615 Locust Road Wilmette, Illinois 60091.

NOTE 12. STATE AND FEDERAL AID CONTINGENCIES

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

NOTE 13. CONTINGENT LIABILITIES

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

NOTE 14. SUBSEQUENT EVENT

The District issued \$8,505,000 in Refunding and Fire Prevention and Safety bonds in July 2010.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (Continued)

June 30, 2010

NOTE 15. PRIOR PERIOD ADJUSTMENT

The District's capital assets were restated to correct the amounts reported in the previous year. This adjustment resulted in a reduction of net capital assets in the amount of \$3,535,330.

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WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Schedule of Funding Progress (unaudited)
 Illinois Municipal Retirement Fund
 June 30, 2010

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
12/31/2009	\$8,389,077	\$10,897,993	\$2,508,916	76.98%	\$6,397,377	39.22%
12/31/2008	8,048,815	9,591,715	1,542,900	83.91%	6,173,645	24.99%
12/31/2007	11,038,342	9,917,498	(1,120,844)	111.30%	5,821,533	0.00%

On a market value basis, the actuarial value of assets as of December 31, 2009 is \$7,984,750. On a market basis, the funded ratio would be 73.27%.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Schedule of Funding Progress (unaudited)
 Other Post Employment Benefits
 June 30, 2010

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)
7/1/2008	\$0	\$7,288,274	\$7,288,274	0.00%
7/1/2009	0	7,480,551	7,480,551	0.00%

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2010

	General		
	Final Budget	Actual	Variance Over/Under
REVENUES			
Local sources	\$ 36,418,479	\$ 38,162,620	\$ 1,744,141
State sources	8,926,639	8,695,761	(230,878)
Federal sources	1,970,034	2,185,664	215,630
 Total Revenues	 47,315,152	 49,044,045	 1,728,893
EXPENDITURES			
Current operating:			
Instruction	31,771,775	32,986,693	(1,214,918)
Support services	15,636,595	15,747,174	(110,579)
Community services	77,788	80,082	(2,294)
Non-programmed charges	638,800	923,504	(284,704)
 Total Expenditures	 48,124,958	 49,737,453	 (1,612,495)
 Excess (deficiency) of revenues over expenditures	 (809,806)	 (693,408)	 116,398
 Other financing sources (uses):			
Transfers in	550,000	550,000	-
 Total other financing sources (uses)	 550,000	 550,000	 -
 Net change in fund balance	 \$ (259,806)	 (143,408)	 \$ 116,398
 Fund Balances at beginning of year		 15,934,956	
 FUND BALANCES AT END OF YEAR		 \$ 15,791,548	

WILMETTE PUBLIC SCHOOL DISTRICT 39
Notes To Required Supplementary Information
Budgetary Comparison Schedules
June 30, 2010

BUDGETS AND BUDGETARY ACCOUNTING

Annual budgets for all Governmental Funds are adopted on the modified accrual basis, consistent with generally accepted accounting principles (GAAP) for local governments. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the Governmental Funds. All encumbrances are canceled at year end, and, if necessary, are reinstated at the beginning of the subsequent fiscal year.

Legal spending control for District moneys is at the fund level, but management control is exercised at budgetary line item levels within each fund. The Board of Education, in accordance with Chapter 105, Section 5/17-1 of the *Illinois Compiled Statutes*, follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to September 30 the budget is legally adopted through passage of a resolution. On or before the last Tuesday in December, a tax levy ordinance is filed with the County Clerk to obtain tax revenues.
4. The Superintendent is authorized to transfer up to 10% of the total budget between departments within any fund without Board of Education approval; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education following the public hearing process mandated by law. The budget, which was not amended, was adopted on August 17, 2009.
5. Formal budgetary integration is employed as a management control device during the year for the Governmental Funds.
6. The District has adopted a legal budget for all its Governmental Funds. Total actual expenditures for the governmental funds may not legally exceed the total budgeted for such funds. However, under the State Budget Act expenditures may exceed the budget if additional resources are available to finance such expenditures.
7. The budget (all appropriations) lapses at the end of each fiscal year.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
BALANCE SHEET BY ACCOUNT
GENERAL FUND
JUNE 30, 2010

<u>ASSETS</u>	<u>Educational</u>	<u>Operations and Maintenance</u>	<u>Total General</u>
Cash and investments	\$ 17,064,739	\$ 2,283,996	\$ 19,348,735
Receivables:			
Property taxes	13,472,884	1,823,820	15,296,704
Due from other governments	1,080,646	-	1,080,646
Other	4,153	363	4,516
TOTAL ASSETS	\$ 31,622,422	\$ 4,108,179	\$ 35,730,601
 <u>LIABILITIES AND FUND BALANCES</u> 			
Liabilities:			
Accounts payable	\$ 326,194	\$ 115,756	\$ 441,950
Accrued salaries and related expenditures	3,739,567	6,082	3,745,649
Deferred revenue	13,949,559	1,801,895	15,751,454
Total Liabilities	<u>18,015,320</u>	<u>1,923,733</u>	<u>19,939,053</u>
Fund balances:			
Unreserved - undesignated	<u>13,607,102</u>	<u>2,184,446</u>	<u>15,791,548</u>
Total Fund Balances	<u>13,607,102</u>	<u>2,184,446</u>	<u>15,791,548</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ 31,622,422	\$ 4,108,179	\$ 35,730,601

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WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES BY ACCOUNT
GENERAL FUND
YEAR ENDED JUNE 30, 2010

	Educational	Operations and Maintenance	Total General
REVENUES			
Local sources	\$ 34,035,217	\$ 4,127,403	\$ 38,162,620
State sources	8,695,761	-	8,695,761
Federal sources	2,185,664	-	2,185,664
 Total Revenues	 44,916,642	 4,127,403	 49,044,045
EXPENDITURES			
Current operating:			
Instruction	32,986,693	-	32,986,693
Support services	11,770,423	3,976,751	15,747,174
Community services	80,082	-	80,082
Non-programmed charges	923,504	-	923,504
 Total Expenditures	 45,760,702	 3,976,751	 49,737,453
Excess (deficiency) of revenues over expenditures	(844,060)	150,652	(693,408)
Other financing sources (uses):			
Transfers in	550,000	-	550,000
 Total other financing sources (uses)	 550,000	 -	 550,000
Net change in fund balance	(294,060)	150,652	(143,408)
Fund balances at beginning of year	13,901,162	2,033,794	15,934,956
FUND BALANCES AT END OF YEAR	\$ 13,607,102	\$ 2,184,446	\$ 15,791,548

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2010 WITH COMPARATIVE ACTUAL TOTALS FOR 2009

	2010		Variance Over/Under	2009 Actual
	Final Budget	Actual		
REVENUES				
Local sources:				
General levy	\$ 28,410,000	\$ 29,850,459	\$ 1,440,459	\$ 26,812,068
Special education levy	310,000	324,569	14,569	297,613
Corporate personal property replacement taxes	374,611	352,135	(22,476)	398,103
Tuition	475,000	511,664	36,664	389,555
Investment income	355,842	253,308	(102,534)	386,431
Food services	1,204,500	1,195,981	(8,519)	1,086,217
Pupil activities	805,000	852,526	47,526	656,574
Contributions and donations from private sources	200,000	75,053	(124,947)	319,469
Other	100,000	619,522	519,522	85,276
Total local sources	32,234,953	34,035,217	1,800,264	30,431,306
State sources:				
Unrestricted:				
General state aid	1,268,678	1,077,939	(190,739)	1,005,990
Restricted:				
Special education - private facility tuition	210,638	118,065	(92,573)	162,553
Special education - extraordinary	614,361	332,441	(281,920)	608,466
Special education - personnel	1,069,243	921,373	(147,870)	1,148,876
Special education - summer school	-	4,062	4,062	4,018
Bilingual education - downstate - TPI	17,200	1,931	(15,269)	19,368
Reading improvement block grant	112,673	56,344	(56,329)	127,672
School safety & educational improvement	121,246	15,262	(105,984)	121,246
Other restricted revenue from state sources	62,600	10,400	(52,200)	67,668
On behalf payment to TRS from the state	5,450,000	6,157,944	707,944	4,432,743
Total state sources	\$ 8,926,639	\$ 8,695,761	\$ (230,878)	\$ 7,698,600

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2010 WITH COMPARATIVE ACTUAL TOTALS FOR 2009

	2010			2009 Actual
	Final Budget	Actual	Variance Over/Under	
Federal sources:				
Restricted:				
Special milk program	\$ 45,000	\$ 39,492	\$ (5,508)	\$ 43,780
Title I - low income	86,921	112,604	25,683	252,921
Title IV - safe & drug free schools - formula	7,551	7,194	(357)	7,114
Federal - special education - preschool	32,052	33,603	1,551	35,113
Federal - special education - IDEA	676,397	686,461	10,064	760,207
Federal - special education - IDEA - R&B	70,000	17,345	(52,655)	150,501
ARRA - General state aid	-	240,504	240,504	297,401
ARRA - IDEA - preschool	35,000	17,902	(17,098)	-
ARRA - IDEA - flow through	900,000	877,572	(22,428)	-
Emergency immigrant assistance	14,375	24,725	10,350	22,275
Title III - english language acquisition	13,700	27,400	13,700	13,920
Title II - teacher quality	63,238	64,516	1,278	63,176
Medicaid - administrative outreach	25,000	29,690	4,690	19,846
Medicaid - fee for service	-	5,804	5,804	5,254
Other restricted revenue from federal sources	800	852	52	808
Total federal sources	<u>1,970,034</u>	<u>2,185,664</u>	<u>215,630</u>	<u>1,672,316</u>
Total revenues	<u>43,131,626</u>	<u>44,916,642</u>	<u>1,785,016</u>	<u>39,802,222</u>
EXPENDITURES				
Current operating:				
Instruction:				
Regular programs:				
Salaries	16,205,782	16,069,987	135,795	15,471,301
Employee benefits	1,511,173	1,778,443	(267,270)	1,743,444
On-behalf payments to TRS from the state	5,450,000	6,157,944	(707,944)	4,432,743
Purchased services	32,300	35,320	(3,020)	71,366
Supplies and materials	449,200	416,245	32,955	558,198
Capital outlay	169,234	38,130	131,104	296,443
Non-capitalized equipment	-	18,060	(18,060)	31,492
Total	<u>23,817,689</u>	<u>24,514,129</u>	<u>(696,440)</u>	<u>22,604,987</u>
Pre kindergarten programs:				
Purchased services	43,954	45,392	(1,438)	-
Supplies and materials	79,676	80,441	(765)	-
Total	<u>\$ 123,630</u>	<u>\$ 125,833</u>	<u>\$ (2,203)</u>	<u>\$ -</u>

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2010 WITH COMPARATIVE ACTUAL TOTALS FOR 2009

	2010			2009 Actual
	Final Budget	Actual	Variance Over/Under	
Special education programs:				
Salaries	\$ 6,120,698	\$ 6,354,642	\$ (233,944)	\$ 6,088,649
Employee benefits	379,621	682,714	(303,093)	422,930
Purchased services	114,121	45,363	68,758	71,131
Supplies and materials	72,532	84,164	(11,632)	45,489
Capital outlay	425,269	439,686	(14,417)	178,379
Other objects	100	-	100	200
Non-capitalized equipment	-	-	-	1,299
Total	<u>7,112,341</u>	<u>7,606,569</u>	<u>(494,228)</u>	<u>6,808,077</u>
Interscholastic programs:				
Salaries	75,000	69,417	5,583	70,054
Employee benefits	-	813	(813)	180
Purchased services	7,200	8,120	(920)	7,160
Supplies and materials	13,000	17,852	(4,852)	14,593
Total	<u>95,200</u>	<u>96,202</u>	<u>(1,002)</u>	<u>91,987</u>
Summer school:				
Salaries	298,060	330,956	(32,896)	315,919
Employee benefits	-	997	(997)	1,094
Purchased services	750	832	(82)	732
Supplies and materials	30,000	27,042	2,958	19,319
Other objects	28,000	24,085	3,915	37,672
Total	<u>356,810</u>	<u>383,912</u>	<u>(27,102)</u>	<u>374,736</u>
Bilingual:				
Salaries	232,950	207,548	25,402	206,758
Employee benefits	15,875	17,898	(2,023)	11,165
Purchased services	-	1,043	(1,043)	255
Supplies and materials	17,280	12,731	4,549	16,845
Non-capitalized equipment	-	20,828	(20,828)	-
Total	<u>266,105</u>	<u>260,048</u>	<u>6,057</u>	<u>235,023</u>
Total instruction	<u>\$ 31,771,775</u>	<u>\$ 32,986,693</u>	<u>\$ (1,214,918)</u>	<u>\$ 30,114,810</u>

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2010 WITH COMPARATIVE ACTUAL TOTALS FOR 2009

	2010			2009
	Final Budget	Actual	Variance Over/Under	Actual
Support services:				
Pupils:				
Attendance and social work:				
Salaries	\$ 750,598	\$ 756,264	\$ (5,666)	\$ 721,877
Employee benefits	34,400	83,813	(49,413)	48,536
Purchased services	1,800	1,747	53	1,292
Supplies and materials	5,310	4,219	1,091	2,552
Total	<u>792,108</u>	<u>846,043</u>	<u>(53,935)</u>	<u>774,257</u>
Health services:				
Salaries	183,298	212,310	(29,012)	199,984
Employee benefits	18,912	20,258	(1,346)	18,996
Purchased services	2,750	1,468	1,282	943
Supplies and materials	6,700	6,583	117	6,577
Capital outlay	1,750	5,883	(4,133)	-
Total	<u>213,410</u>	<u>246,502</u>	<u>(33,092)</u>	<u>226,500</u>
Psychological services:				
Salaries	377,217	312,308	64,909	355,786
Employee benefits	35,825	43,053	(7,228)	48,771
Purchased services	2,800	1,952	848	1,076
Supplies and materials	6,500	6,092	408	6,714
Capital outlay	1,000	-	1,000	-
Total	<u>423,342</u>	<u>363,405</u>	<u>59,937</u>	<u>412,347</u>
Speech pathology and audiology services:				
Salaries	531,579	598,717	(67,138)	546,571
Employee benefits	38,441	78,949	(40,508)	76,251
Purchased services	3,000	24,283	(21,283)	2,269
Supplies and materials	5,350	4,686	664	5,378
Total	<u>578,370</u>	<u>706,635</u>	<u>(128,265)</u>	<u>630,469</u>
Other support services:				
Salaries	302,402	304,889	(2,487)	254,240
Employee benefits	25,535	20,759	4,776	23,105
Purchased services	104,100	95,699	8,401	57,327
Supplies and materials	10,500	3,655	6,845	6,994
Total	<u>442,537</u>	<u>425,002</u>	<u>17,535</u>	<u>341,666</u>
Total pupils	<u>\$ 2,449,767</u>	<u>\$ 2,587,587</u>	<u>\$ (137,820)</u>	<u>\$ 2,385,239</u>

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2010 WITH COMPARATIVE ACTUAL TOTALS FOR 2009

	2010			2009
	Final Budget	Actual	Variance Over/Under	Actual
Instructional staff:				
Improvement of instruction services:				
Salaries	3,692	1,978	1,714	6,272
Employee benefits	-	-	-	44
Purchased services	54,289	56,544	(2,255)	84,177
Supplies and materials	250	69	181	2,267
Total	58,231	58,591	(360)	92,760
Educational media services:				
Salaries	816,680	713,429	103,251	797,714
Employee benefits	44,105	64,669	(20,564)	45,434
Purchased services	51,400	50,222	1,178	43,975
Supplies and materials	85,327	81,626	3,701	89,648
Capital outlay	3,000	2,871	129	2,987
Other objects	800	412	388	806
Total	1,001,312	913,229	88,083	980,564
Assessment & testing:				
Salaries	500	522	(22)	-
Total	500	522	(22)	-
Total instructional staff	1,060,043	972,342	87,701	1,073,324
General administration:				
Board of education:				
Salaries	55,896	54,971	925	47,580
Employee benefits	-	5	(5)	49
Purchased services	104,000	140,265	(36,265)	350,991
Supplies and materials	20,000	18,009	1,991	21,527
Other objects	10,250	10,653	(403)	15,064
Total	190,146	223,903	(33,757)	435,211
Executive administration:				
Salaries	281,013	290,548	(9,535)	283,579
Employee benefits	27,303	20,609	6,694	15,904
Purchased services	5,600	6,502	(902)	5,713
Supplies and materials	5,000	7,638	(2,638)	3,384
Capital outlay	1,500	-	1,500	-
Other objects	11,000	4,030	6,970	19,298
Total	\$ 331,416	\$ 329,327	\$ 2,089	\$ 327,878

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2010 WITH COMPARATIVE ACTUAL TOTALS FOR 2009

	2010			2009 Actual
	Final Budget	Actual	Variance Over/Under	
Special area administration:				
Salaries	\$ 179,836	\$ 239,307	\$ (59,471)	\$ 162,954
Employee benefits	20,178	19,957	221	15,097
Purchased services	6,350	5,427	923	4,627
Supplies and materials	3,600	2,871	729	3,988
Capital outlay	1,200	-	1,200	-
Other objects	1,125	314	811	736
Total	212,289	267,876	(55,587)	187,402
Total general administration	733,851	821,106	(87,255)	950,491
School administration:				
Office of the principal:				
Salaries	1,262,775	1,332,927	(70,152)	1,294,536
Employee benefits	189,723	150,455	39,268	158,927
Purchased services	23,503	18,393	5,110	27,466
Supplies and materials	67,703	71,225	(3,522)	82,007
Capital outlay	6,000	1,749	4,251	-
Other objects	6,380	3,420	2,960	4,864
Non-capitalized equipment	-	-	-	1,097
Total	1,556,084	1,578,169	(22,085)	1,568,897
Total school administration	1,556,084	1,578,169	(22,085)	1,568,897
Business:				
Direction of business support services:				
Salaries	123,341	127,742	(4,401)	138,649
Employee benefits	42,555	41,909	646	41,812
Purchased services	7,700	4,662	3,038	7,449
Supplies and materials	5,000	5,697	(697)	7,821
Other	3,500	3,939	(439)	4,470
Total	182,096	183,949	(1,853)	200,201
Fiscal services:				
Salaries	215,577	225,712	(10,135)	193,216
Employee benefits	23,922	16,446	7,476	23,303
Purchased services	57,500	23,407	34,093	131,439
Capital outlay	5,000	2,215	2,785	8,284
Other objects	30,000	102,392	(72,392)	55,642
Non-capitalized equipment	-	857	(857)	4,519
Total	\$ 331,999	\$ 371,029	\$ (39,030)	\$ 416,403

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2010 WITH COMPARATIVE ACTUAL TOTALS FOR 2009

	2010			2009 Actual
	Final Budget	Actual	Variance Over/Under	
Food services:				
Salaries	\$ 549,852	\$ 784,772	\$ (234,920)	\$ 720,553
Employee benefits	62,085	72,670	(10,585)	68,501
Purchased services	13,439	6,795	6,644	17,300
Supplies and materials	858,115	909,163	(51,048)	874,204
Capital outlay	10,000	8,786	1,214	-
Total	1,493,491	1,782,186	(288,695)	1,680,558
Total business	2,007,586	2,337,164	(329,578)	2,297,162
Central:				
Planning, research, development and evaluation services:				
Salaries	518,958	413,795	105,163	533,825
Employee benefits	43,592	41,576	2,016	39,422
Purchased services	64,762	50,599	14,163	58,735
Supplies and materials	356,762	261,446	95,316	221,232
Capital outlay	6,500	27,388	(20,888)	79,126
Other objects	5,799	891	4,908	1,125
Total	996,373	795,695	200,678	933,465
Information services:				
Purchased services	155,000	206,815	(51,815)	237,489
Supplies and materials	7,500	8,018	(518)	6,187
Total	162,500	214,833	(52,333)	243,676
Staff services:				
Salaries	290,093	286,710	3,383	590,007
Employee benefits	34,160	23,344	10,816	23,920
Purchased services	46,700	27,314	19,386	52,767
Supplies and materials	5,500	5,979	(479)	8,936
Capital outlay	-	-	-	5,478
Other objects	3,000	800	2,200	1,409
Non-capitalized equipment	-	-	-	685
Total	\$ 379,453	\$ 344,147	\$ 35,306	\$ 683,202

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2010 WITH COMPARATIVE ACTUAL TOTALS FOR 2009

	2010			2009 Actual
	Final Budget	Actual	Variance Over/Under	
Data processing services:				
Salaries	\$ 363,922	\$ 382,704	\$ (18,782)	\$ 323,650
Employee benefits	31,438	32,090	(652)	29,968
Purchased services	77,626	95,698	(18,072)	153,023
Supplies and materials	102,759	160,642	(57,883)	96,157
Capital outlay	707,000	705,502	1,498	873,157
Total	1,282,745	1,376,636	(93,891)	1,475,955
Total central	2,821,071	2,731,311	89,760	3,336,298
Other support services:				
Salaries	-	-	-	74
Employee benefits	506,000	686,575	(180,575)	600,157
Purchased services	-	-	-	3,373
Supplies and materials	35,000	7,418	27,582	11,928
Capital outlay	25,000	23,475	1,525	20,624
Other objects	-	25,276	(25,276)	-
Total	566,000	742,744	(176,744)	636,156
Total support services	11,194,402	11,770,423	(576,021)	12,247,567
Community services:				
Salaries	61,000	65,848	(4,848)	66,574
Employee benefits	-	48	(48)	116
Purchased services	4,505	4,054	451	1,172
Supplies and materials	12,283	10,132	2,151	9,771
Total community services	77,788	80,082	(2,294)	77,633
Payments to other districts and governmental units:				
Payments for special education programs:				
Purchased services	-	158,543	(158,543)	-
Other objects	4,200	8,827	(4,627)	-
Total	4,200	167,370	(163,170)	-
Payments for regular programs - tuition:				
Other objects	77,000	70,759	6,241	75,570
Total	\$ 77,000	\$ 70,759	\$ 6,241	\$ 75,570

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2010 WITH COMPARATIVE ACTUAL TOTALS FOR 2009

	2010			2009
	Final Budget	Actual	Variance Over/Under	Actual
Payments for special education programs - tuition:				
Other objects	\$ 557,600	\$ 685,375	\$ (127,775)	\$ 795,396
Total	<u>557,600</u>	<u>685,375</u>	<u>(127,775)</u>	<u>795,396</u>
Total payments to other districts and governmental units	<u>638,800</u>	<u>923,504</u>	<u>(284,704)</u>	<u>870,966</u>
Total expenditures	<u>43,682,765</u>	<u>45,760,702</u>	<u>(2,077,937)</u>	<u>43,310,976</u>
Excess (deficiency) of revenues over expenditures	<u>(551,139)</u>	<u>(844,060)</u>	<u>(292,921)</u>	<u>(3,508,754)</u>
Other financing sources (uses):				
Transfers in	550,000	550,000	-	400,000
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(48,988)</u>
Total other financing sources (uses)	<u>550,000</u>	<u>550,000</u>	<u>-</u>	<u>351,012</u>
Net change in fund balance	<u><u>\$ (1,139)</u></u>	<u>(294,060)</u>	<u><u>\$ (292,921)</u></u>	<u>(3,157,742)</u>
Fund balance at beginning of year		<u>13,901,162</u>		<u>17,058,904</u>
FUND BALANCE AT END OF YEAR		<u><u>\$ 13,607,102</u></u>		<u><u>\$ 13,901,162</u></u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
OPERATIONS AND MAINTENANCE ACCOUNT
YEAR ENDED JUNE 30, 2010 WITH COMPARATIVE ACTUAL TOTALS FOR 2009

	2010			2009 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources:				
General levy	\$ 4,113,834	\$ 4,084,016	\$ (29,818)	\$ 3,802,425
Investment income	51,692	26,887	(24,805)	61,234
Rentals	15,000	16,130	1,130	33,354
Other	3,000	370	(2,630)	1,437
Total local sources	4,183,526	4,127,403	(56,123)	3,898,450
Total revenues	4,183,526	4,127,403	(56,123)	3,898,450
EXPENDITURES				
Current operating:				
Support services:				
Business:				
Facilities acquisition and construction service:				
Purchased services	12,500	20,458	(7,958)	13,210
Capital outlay	549,921	436,695	113,226	612,046
Total	562,421	457,153	105,268	625,256
Operation and maintenance of plant services:				
Salaries	1,927,212	1,716,336	210,876	1,776,084
Employee benefits	181,580	200,751	(19,171)	191,034
Purchased services	582,265	651,040	(68,775)	818,393
Supplies and materials	1,100,256	863,480	236,776	1,098,009
Capital outlay	88,459	87,991	468	77,725
Non-capitalized equipment	-	-	-	1,590
Total	3,879,772	3,519,598	360,174	3,962,835
Total business	4,442,193	3,976,751	465,442	4,588,091
Total support services	4,442,193	3,976,751	465,442	4,588,091
Total expenditures	4,442,193	3,976,751	465,442	4,588,091
Excess (deficiency) of revenues over expenditures	\$ (258,667)	\$ 150,652	\$ 409,319	\$ (689,641)

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
OPERATIONS AND MAINTENANCE ACCOUNT
YEAR ENDED JUNE 30, 2010 WITH COMPARATIVE ACTUAL TOTALS FOR 2009

	2010			2009 Actual
	Final Budget	Actual	Variance Over/Under	
Other financing sources (uses):				
Transfers in	\$ -	\$ -	\$ -	\$ 2,200
Transfers out	-	-	-	(29,525)
Total other financing sources (uses)	-	-	-	(27,325)
Net change in fund balance	<u>\$ (258,667)</u>	150,652	<u>\$ 409,319</u>	(716,966)
Fund balance at beginning of year		<u>2,033,794</u>		<u>2,750,760</u>
FUND BALANCE AT END OF YEAR		<u>\$ 2,184,446</u>		<u>\$ 2,033,794</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2010 WITH COMPARATIVE ACTUAL TOTALS FOR 2009

	2010			2009 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources:				
General levy	\$ 1,375,000	\$ 1,408,484	\$ 33,484	\$ 1,306,394
Investment income	34,763	32,486	(2,277)	30,111
Other	-	-	-	4,312
Total local sources	<u>1,409,763</u>	<u>1,440,970</u>	<u>31,207</u>	<u>1,340,817</u>
Total revenues	<u>1,409,763</u>	<u>1,440,970</u>	<u>31,207</u>	<u>1,340,817</u>
EXPENDITURES				
Debt service:				
Interest on long term debt	683,900	681,899	2,001	743,826
Principal payments on long term debt	1,385,000	1,385,000	-	1,405,131
Other expenses	-	1,960	(1,960)	-
Total	<u>2,068,900</u>	<u>2,068,859</u>	<u>41</u>	<u>2,148,957</u>
Total expenditures	<u>2,068,900</u>	<u>2,068,859</u>	<u>41</u>	<u>2,148,957</u>
Excess (deficiency) of revenues over expenditures	<u>(659,137)</u>	<u>(627,889)</u>	<u>31,248</u>	<u>(808,140)</u>
OTHER FINANCING SOURCES				
Transfers in	<u>802,700</u>	<u>802,700</u>	<u>-</u>	<u>880,813</u>
Total other financing sources	<u>802,700</u>	<u>802,700</u>	<u>-</u>	<u>880,813</u>
Net changes in fund balance	<u>\$ 143,563</u>	174,811	<u>\$ 31,248</u>	72,673
Fund balance at beginning of year		<u>1,331,877</u>		<u>1,259,204</u>
FUND BALANCE AT END OF YEAR		<u>\$ 1,506,688</u>		<u>\$ 1,331,877</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2010

	Transportation	Municipal Retirement/ Social Security	Working Cash	Tort Immunity	Fire Prevention and Safety	Total Nonmajor Governmental Funds
<u>ASSETS</u>						
Assets:						
Cash and investments	\$ 630,874	\$ 270,351	\$ 713,127	\$ 491	\$ 400,415	\$ 2,015,258
Receivables:						
Property taxes	98,206	654,704	233,823	327,352	350,735	1,664,820
Due from other governments	87,857	-	-	-	-	87,857
Due from other funds	-	-	3,000	-	-	3,000
Other	101	66	115	-	65	347
Prepaid items	-	-	-	98,928	-	98,928
TOTAL ASSETS	<u>\$ 817,038</u>	<u>\$ 925,121</u>	<u>\$ 950,065</u>	<u>\$ 426,771</u>	<u>\$ 751,215</u>	<u>\$ 3,870,210</u>
<u>LIABILITIES AND FUND BALANCES</u>						
Liabilities:						
Accounts payable	\$ 5,767	\$ 47,284	\$ -	\$ 3,206	\$ 44,058	\$ 100,315
Due to other funds	-	-	-	3,000	-	3,000
Accrued salaries and related expenditures	3,129	43,424	-	-	-	46,553
Deferred revenue	420,594	646,834	231,012	323,417	346,518	1,968,375
Total Liabilities	<u>429,490</u>	<u>737,542</u>	<u>231,012</u>	<u>329,623</u>	<u>390,576</u>	<u>2,118,243</u>
Fund Balances:						
Reserved:						
Reserved for prepaid items	-	-	-	98,928	-	98,928
Unreserved - undesignated	387,548	187,579	719,053	(1,780)	360,639	1,653,039
Total Fund Balances	<u>387,548</u>	<u>187,579</u>	<u>719,053</u>	<u>97,148</u>	<u>360,639</u>	<u>1,751,967</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 817,038</u>	<u>\$ 925,121</u>	<u>\$ 950,065</u>	<u>\$ 426,771</u>	<u>\$ 751,215</u>	<u>\$ 3,870,210</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2010

	Transportation	Municipal Retirement/ Social Security	Working Cash	Tort Immunity	Fire Prevention and Safety	Total Nonmajor Governmental Funds
REVENUES						
Local sources	\$ 700,220	\$ 1,608,688	\$ 293,005	\$ 761,365	\$ 799,457	\$ 4,162,735
State sources	72,450	-	-	-	-	72,450
Federal sources	63,600	-	-	-	-	63,600
Total Revenues	836,270	1,608,688	293,005	761,365	799,457	4,298,785
EXPENDITURES						
Current operating:						
Instruction	-	640,359	-	-	-	640,359
Support services	1,017,483	755,354	-	662,527	189,044	2,624,408
Community services	-	7,873	-	-	-	7,873
Capital outlay	-	-	-	-	2,051,020	2,051,020
Total Expenditures	1,017,483	1,403,586	-	662,527	2,240,064	5,323,660
Excess (deficiency) of revenues over expenditures	(181,213)	205,102	293,005	98,838	(1,440,607)	(1,024,875)
OTHER FINANCING SOURCES						
Transfers out	-	-	(550,000)	-	(802,700)	(1,352,700)
Total other financing sources	-	-	(550,000)	-	(802,700)	(1,352,700)
Net changes in fund balances	(181,213)	205,102	(256,995)	98,838	(2,243,307)	(2,377,575)
Fund balances (deficit) at beginning of year	568,761	(17,523)	976,048	(1,690)	2,603,946	4,129,542
FUND BALANCES AT END OF YEAR	\$ 387,548	\$ 187,579	\$ 719,053	\$ 97,148	\$ 360,639	\$ 1,751,967

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TRANSPORTATION FUND
YEAR ENDED JUNE 30, 2010 WITH COMPARATIVE ACTUAL TOTALS FOR 2009

	2010			2009 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources:				
General levy	\$ 148,000	\$ 170,265	\$ 22,265	\$ 166,939
Transportation fees	551,824	506,143	(45,681)	567,488
Investment income	12,906	23,812	10,906	21,734
Total local sources	<u>712,730</u>	<u>700,220</u>	<u>(12,510)</u>	<u>756,161</u>
State sources:				
Transportation - regular/vocational	11,504	8,628	(2,876)	4,618
Transportation - special education	84,243	63,822	(20,421)	203,330
Total state sources	<u>95,747</u>	<u>72,450</u>	<u>(23,297)</u>	<u>207,948</u>
Federal sources:				
EPA Grant	-	63,600	63,600	-
Total federal sources	<u>-</u>	<u>63,600</u>	<u>63,600</u>	<u>-</u>
Total revenues	<u>808,477</u>	<u>836,270</u>	<u>27,793</u>	<u>964,109</u>
EXPENDITURES				
Support Services:				
Business:				
Pupil transportation services:				
Salaries	456,650	459,358	(2,708)	439,020
Employee benefits	21,900	24,329	(2,429)	15,899
Purchased services	292,850	350,986	(58,136)	292,955
Supplies and materials	70,000	41,047	28,953	51,185
Capital outlay	80,000	140,683	(60,683)	145,588
Other objects	2,000	1,080	920	341
Total	<u>923,400</u>	<u>1,017,483</u>	<u>(94,083)</u>	<u>944,988</u>
Total support services	<u>923,400</u>	<u>1,017,483</u>	<u>(94,083)</u>	<u>944,988</u>
Total expenditures	<u>923,400</u>	<u>1,017,483</u>	<u>(94,083)</u>	<u>944,988</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (114,923)</u>	(181,213)	<u>\$ (66,290)</u>	19,121
Fund balance at beginning of year		<u>568,761</u>		<u>549,640</u>
FUND BALANCE AT END OF YEAR		<u>\$ 387,548</u>		<u>\$ 568,761</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
YEAR ENDED JUNE 30, 2010 WITH COMPARATIVE ACTUAL TOTALS FOR 2009

	2010			2009 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources:				
General levy	\$ 663,490	\$ 706,827	\$ 43,337	\$ 553,833
Social security/medicare only levy	811,400	879,131	67,731	710,142
Corporate personal property replacement taxes	22,000	22,000	-	81,282
Investment income	-	730	730	382
Total local sources	1,496,890	1,608,688	111,798	1,345,639
Total revenues	1,496,890	1,608,688	111,798	1,345,639
EXPENDITURES				
Current operating:				
Instruction:				
Regular programs	273,601	268,498	5,103	285,082
Special education programs	307,430	352,154	(44,724)	249,314
Interscholastic programs	1,800	1,212	588	1,234
Summer school programs	11,025	12,829	(1,804)	11,625
Bilingual programs	9,900	5,666	4,234	8,565
Total instruction	603,756	640,359	(36,603)	555,820
Support services:				
Pupils:				
Attendance and social work services	10,950	12,083	(1,133)	12,543
Health services	30,900	25,916	4,984	39,193
Psychological services	5,600	4,244	1,356	-
Speech pathology and audiology services	7,475	8,485	(1,010)	-
Other support services - pupils	56,600	45,847	10,753	45,208
Total pupils	111,525	96,575	14,950	96,944
Instructional staff:				
Improvement of instruction staff	60	28	32	-
Educational media services	46,895	35,132	11,763	51,789
Total instructional staff	46,955	35,160	11,795	51,789
General administration:				
Board of education services	3,733	7,580	(3,847)	4,311
Executive administration services	14,300	11,824	2,476	11,304
Special area administration services	8,800	8,254	546	7,791
Total general administration	\$ 26,833	\$ 27,658	\$ (825)	\$ 23,406

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
YEAR ENDED JUNE 30, 2010 WITH COMPARATIVE ACTUAL TOTALS FOR 2009

	2010			2009 Actual
	Final Budget	Actual	Variance Over/Under	
School administration:				
Office of the principal services	\$ 106,100	\$ 69,520	\$ 36,580	\$ 60,187
Total school administration	<u>106,100</u>	<u>69,520</u>	<u>36,580</u>	<u>60,187</u>
Business:				
Direction of business support services	9,100	9,049	51	8,395
Fiscal services	61,200	39,192	22,008	54,422
Operation and maintenance of plant services	279,315	258,800	20,515	256,101
Pupil transportation services	62,200	62,549	(349)	54,167
Food services	70,800	70,374	426	64,470
Total business	<u>482,615</u>	<u>439,964</u>	<u>42,651</u>	<u>437,555</u>
Central:				
Planning, research, development, and evaluation services	11,760	12,667	(907)	14,143
Staff services	51,000	25,273	25,727	56,478
Data processing services	37,965	48,537	(10,572)	39,122
Total central	<u>100,725</u>	<u>86,477</u>	<u>14,248</u>	<u>109,743</u>
Total support services	<u>874,753</u>	<u>755,354</u>	<u>119,399</u>	<u>779,624</u>
Community services	<u>7,100</u>	<u>7,873</u>	<u>(773)</u>	<u>7,299</u>
Total expenditures	<u>1,485,609</u>	<u>1,403,586</u>	<u>82,023</u>	<u>1,342,743</u>
Excess of revenues over expenditures	<u>\$ 11,281</u>	205,102	<u>\$ 193,821</u>	2,896
Fund balance (deficit) at beginning of year		<u>(17,523)</u>		<u>(20,419)</u>
FUND BALANCE (DEFICIT) AT END OF YEAR		<u>\$ 187,579</u>		<u>\$ (17,523)</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
WORKING CASH FUND
YEAR ENDED JUNE 30, 2010 WITH COMPARATIVE ACTUAL TOTALS FOR 2009

	2010		Variance Over/Under	2009
	Final Budget	Actual		Actual
REVENUES				
Local sources:				
General levy	\$ 504,663	\$ 262,790	\$ (241,873)	\$ 281,499
Investment income	29,311	30,215	904	29,923
Total local sources	<u>533,974</u>	<u>293,005</u>	<u>(240,969)</u>	<u>311,422</u>
Total revenues	<u>533,974</u>	<u>293,005</u>	<u>(240,969)</u>	<u>311,422</u>
Excess of revenues over expenditures	<u>533,974</u>	<u>293,005</u>	<u>(240,969)</u>	<u>311,422</u>
Other financing sources (uses):				
Transfers out	<u>(550,000)</u>	<u>(550,000)</u>	<u>-</u>	<u>(400,000)</u>
Total other financing sources (uses)	<u>(550,000)</u>	<u>(550,000)</u>	<u>-</u>	<u>(400,000)</u>
Net change in fund balance	<u>\$ (16,026)</u>	<u>(256,995)</u>	<u>\$ (240,969)</u>	<u>(88,578)</u>
Fund balance at beginning of year		<u>976,048</u>		<u>1,064,626</u>
FUND BALANCE AT END OF YEAR		<u>\$ 719,053</u>		<u>\$ 976,048</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TORT IMMUNITY FUND
YEAR ENDED JUNE 30, 2010 WITH COMPARATIVE ACTUAL TOTALS FOR 2009

	2010			2009 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources:				
Tort immunity levy	\$ 760,000	\$ 761,195	\$ 1,195	\$ 705,905
Investment income	4,185	170	(4,015)	178
Total local sources	<u>764,185</u>	<u>761,365</u>	<u>(2,820)</u>	<u>706,083</u>
Total revenues	<u>764,185</u>	<u>761,365</u>	<u>(2,820)</u>	<u>706,083</u>
EXPENDITURES				
Current operating:				
Support services:				
Insurance payments:				
Purchased services	<u>420,950</u>	<u>393,440</u>	<u>27,510</u>	<u>454,829</u>
Total	<u>420,950</u>	<u>393,440</u>	<u>27,510</u>	<u>454,829</u>
Educational, inspectional, supervisory services related to loss prevention or reduction:				
Salaries	215,268	221,152	(5,884)	251,244
Employee benefits	<u>3,714</u>	<u>5,160</u>	<u>(1,446)</u>	<u>1,700</u>
Total	<u>218,982</u>	<u>226,312</u>	<u>(7,330)</u>	<u>252,944</u>
Legal services:				
Purchased services	<u>100,000</u>	<u>42,775</u>	<u>57,225</u>	<u>-</u>
Total	<u>100,000</u>	<u>42,775</u>	<u>57,225</u>	<u>-</u>
Total support services	<u>739,932</u>	<u>662,527</u>	<u>77,405</u>	<u>707,773</u>
Total expenditures	<u>739,932</u>	<u>662,527</u>	<u>77,405</u>	<u>707,773</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 24,253</u>	98,838	<u>\$ 74,585</u>	(1,690)
Fund balance (deficit) at beginning of year		<u>(1,690)</u>		<u>-</u>
FUND BALANCE AT END OF YEAR		<u>\$ 97,148</u>		<u>\$ (1,690)</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FIRE PREVENTION AND SAFETY FUND
YEAR ENDED JUNE 30, 2010 WITH COMPARATIVE ACTUAL TOTALS FOR 2009

	2010		Variance Over/Under	2009
	Final Budget	Actual		Actual
REVENUES				
Local sources:				
General levy	788,010	787,696	(314)	731,328
Investment income	109,100	11,761	(97,339)	32,245
Total local sources	<u>897,110</u>	<u>799,457</u>	<u>(97,653)</u>	<u>763,573</u>
Total revenues	<u>897,110</u>	<u>799,457</u>	<u>(97,653)</u>	<u>763,573</u>
EXPENDITURES				
Support services:				
Facilities acquisition and construction:				
Purchased services	200,000	189,044	10,956	148,818
Capital outlay	2,200,000	2,051,020	148,980	1,307,242
Total	<u>2,400,000</u>	<u>2,240,064</u>	<u>159,936</u>	<u>1,456,060</u>
Total support services	<u>2,400,000</u>	<u>2,240,064</u>	<u>159,936</u>	<u>1,456,060</u>
Total expenditures	<u>2,400,000</u>	<u>2,240,064</u>	<u>159,936</u>	<u>1,456,060</u>
Excess (deficiency) of revenues over expenditures	<u>(1,502,890)</u>	<u>(1,440,607)</u>	<u>62,283</u>	<u>(692,487)</u>
Other financing sources (uses):				
Transfers out	<u>(802,700)</u>	<u>(802,700)</u>	<u>-</u>	<u>(802,300)</u>
Total other financing sources (uses)	<u>(802,700)</u>	<u>(802,700)</u>	<u>-</u>	<u>(802,300)</u>
Net change in fund balance	<u>\$ (2,305,590)</u>	<u>(2,243,307)</u>	<u>\$ 62,283</u>	<u>(1,494,787)</u>
Fund balance at beginning of year		<u>2,603,946</u>		<u>4,098,733</u>
FUND BALANCE AT END OF YEAR		<u>\$ 360,639</u>		<u>\$ 2,603,946</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUND - AGENCY FUND - ACTIVITY FUNDS
YEAR ENDED JUNE 30, 2010

	Balance July 1, 2009	Additions	Deductions	Balance June 30, 2010
Assets:				
Cash	\$ 156,190	\$ 436,391	\$ 435,341	\$ 157,240
Liabilities:				
Due to organizations	\$ 156,190	\$ 436,391	\$ 435,341	\$ 157,240

STATISTICAL SECTION (UNAUDITED)

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
NET ASSETS BY COMPONENT
LAST EIGHT FISCAL YEARS

	2010	2009	2008	2007
Governmental activities				
Invested in capital assets, net of related debt	\$ 21,309,413	\$ 24,990,652	\$ 25,401,375	\$ 24,946,426
Restricted	2,257,903	1,376,371	1,211,710	1,404,698
Unrestricted	16,243,899	16,964,324	20,440,250	21,421,342
Total governmental activities net assets	<u>\$ 39,811,215</u>	<u>\$ 43,331,347</u>	<u>\$ 47,053,335</u>	<u>\$ 47,772,466</u>

Source of information: District records.

Due to the implementation of GASB Statement No. 34, only eight years of information is available.

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 22,999,904	\$ 22,866,135	\$ 23,779,375	\$ 22,846,094
2,205,361	8,163,942	7,690,172	3,759,782
<u>21,892,657</u>	<u>16,825,588</u>	<u>15,099,454</u>	<u>18,637,334</u>
<u>\$ 47,097,922</u>	<u>\$ 47,855,665</u>	<u>\$ 46,569,001</u>	<u>\$ 45,243,210</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
CHANGES IN NET ASSETS
LAST EIGHT FISCAL YEARS

	2010	2009	2008	2007
Expenses				
Governmental activities				
Instruction:				
Regular programs	\$ 21,087,451	\$ 19,841,772	\$ 19,216,915	\$ 17,467,441
Special programs	7,600,115	7,742,514	7,010,484	6,823,349
Other instructional programs	759,869	742,221	731,267	740,146
State retirement contributions	6,157,944	4,432,743	3,310,777	2,169,789
Support services:				
Pupils	2,770,540	2,570,214	2,411,912	2,217,451
Instructional staff	1,236,682	1,341,041	956,322	824,955
General administration	1,556,024	1,724,366	1,233,534	1,135,830
School administration	1,752,180	1,729,293	1,841,356	1,653,609
Business	2,618,117	2,580,919	2,374,723	2,162,640
Transportation	3,436,890	969,637	965,830	965,594
Operations and maintenance	1,062,364	5,083,886	4,278,779	4,038,450
Central	2,084,898	2,488,280	2,337,801	2,275,205
Other supporting services	766,797	775,748	461,553	534,011
Community services	87,955	84,932	83,063	104,922
Nonprogrammed charges-excluding special education	923,504	75,570	66,636	57,928
Interest and fees	644,916	745,417	657,101	529,041
Total governmental activities expenses	<u>54,546,246</u>	<u>52,928,553</u>	<u>47,938,053</u>	<u>43,700,361</u>
Program revenues				
Governmental activities				
Charges for services				
Instruction:				
Regular programs	1,617,246	816,733	847,506	735,034
Special programs	366,466	157,953	157,031	86,652
Other instructional programs		162,468	221,471	269,066
Support services:				
Business	1,195,981	1,086,217	1,175,819	1,113,599
Transportation	506,143	567,488	509,451	459,051
Operations and maintenance	16,130	33,354	15,882	17,521
Operating grants and contributions	9,699,032	8,499,709	6,755,446	5,463,088
Total governmental activities program revenues	<u>13,400,998</u>	<u>11,323,922</u>	<u>9,682,606</u>	<u>8,144,011</u>
Net revenue (expense)	<u>(41,145,248)</u>	<u>(41,604,631)</u>	<u>(38,255,447)</u>	<u>(35,556,350)</u>
Governmental activities				
General revenues				
Taxes:				
Real estate taxes, levied for general purposes	30,175,028	27,109,681	26,147,593	24,896,026
Real estate taxes, levied for specific purposes	7,651,920	6,952,071	6,889,164	6,593,457
Real estate taxes, levied for debt service	1,408,484	1,306,394	1,324,036	1,319,696
Personal property replacement taxes	374,135	479,385	539,807	504,375
State aid-formula grants	1,318,443	1,005,990	1,237,734	1,147,353
Investment earnings	157,013	707,453	1,024,889	1,407,436
Miscellaneous	75,423	321,669	373,092	362,552
Total governmental activities general revenues	<u>41,160,446</u>	<u>37,882,643</u>	<u>37,536,315</u>	<u>36,230,895</u>
Change in net assets	<u>\$ 15,198</u>	<u>\$ (3,721,988)</u>	<u>\$ (719,132)</u>	<u>\$ 674,545</u>

Source of information: District records.

Due to the implementation of GASB Statement No. 34, only eight years of information is available.

	2006	2005	2004	2003
\$	16,799,230	\$ 15,482,029	\$ 14,306,430	\$ 12,676,571
	6,528,300	6,047,383	5,695,670	3,954,171
	615,829	456,690	478,032	502,188
	1,484,730	2,291,090	2,500,820	2,093,379
	2,202,571	1,650,899	1,514,501	1,380,939
	909,899	852,629	774,482	556,631
	1,148,477	1,111,905	1,060,746	983,827
	1,544,306	1,534,730	1,384,977	1,296,331
	2,059,000	1,955,215	2,076,363	1,901,581
	962,050	917,294	988,281	1,049,060
	4,066,706	3,222,044	3,098,546	3,136,187
	2,361,320	1,804,324	2,007,515	1,944,404
	427,131	428,930	492,553	449,247
	110,062	81,407	84,686	84,186
	51,666	26,245	16,202	948,744
	551,278	602,848	591,325	591,545
	<u>41,822,555</u>	<u>38,465,662</u>	<u>37,071,129</u>	<u>33,548,991</u>
	650,744	721,058	647,855	371,557
	58,565	26,346	65,405	425,248
	191,632	134,929	186,938	429,170
	1,022,451	999,676	996,255	966,457
	436,814	430,819	450,009	37,915
	16,382	17,111	21,516	27,027
	<u>4,503,822</u>	<u>4,654,018</u>	<u>5,054,128</u>	<u>4,515,198</u>
	<u>6,880,410</u>	<u>6,983,957</u>	<u>7,422,106</u>	<u>6,772,572</u>
	<u>(34,942,145)</u>	<u>(31,481,705)</u>	<u>(29,649,023)</u>	<u>(26,776,419)</u>
	23,893,795	23,486,889	25,862,389	26,512,877
	6,132,811	5,835,964	2,117,297	1,121,831
	1,320,077	1,334,005	1,266,131	1,402,881
	462,300	364,745	301,428	265,215
	1,100,373	1,065,351	999,196	981,292
	1,059,060	587,310	271,917	259,960
	215,986	94,105	156,456	213,303
	<u>34,184,402</u>	<u>32,768,369</u>	<u>30,974,814</u>	<u>30,757,359</u>
\$	<u>(757,743)</u>	<u>\$ 1,286,664</u>	<u>\$ 1,325,791</u>	<u>\$ 3,980,940</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
General Fund				
Reserved	\$ -	\$ -	\$ 99,983	\$ 99,983
Unreserved	<u>15,791,548</u>	<u>13,901,162</u>	<u>16,958,921</u>	<u>18,069,393</u>
Total general fund	<u>\$ 15,791,548</u>	<u>\$ 13,901,162</u>	<u>\$ 17,058,904</u>	<u>\$ 18,169,376</u>
All Other Governmental Funds				
Reserved	\$ 98,928	\$ 826,327	\$ 717,700	\$ -
Unreserved, reported in:				
Special revenue funds	1,292,400	3,463,363	4,344,607	4,530,485
Debt service funds	1,506,688	601,577	1,259,204	1,213,993
Capital project funds	<u>360,639</u>	<u>2,603,946</u>	<u>3,381,033</u>	<u>(302,208)</u>
Total all other governmental funds	<u>\$ 3,258,655</u>	<u>\$ 7,495,213</u>	<u>\$ 9,702,544</u>	<u>\$ 5,442,270</u>

Source of information: District records.

2006	2005	2004	2003	2002	2001
\$ 100,083	\$ 157,189	\$ 252,495	\$ 325,883	\$ 177,826	\$ 146,153
17,048,843	16,471,592	16,220,901	15,789,255	13,456,458	9,831,791
<u>\$ 17,148,926</u>	<u>\$ 16,628,781</u>	<u>\$ 16,473,396</u>	<u>\$ 16,115,138</u>	<u>\$ 13,634,284</u>	<u>\$ 9,977,944</u>
\$ -	\$ -	\$ -	\$ 1,402,881	\$ -	\$ -
5,038,390	5,885,289	5,762,549	3,799,934	3,794,381	5,308,414
1,109,001	1,475,418	1,410,553	-	1,314,376	1,354,204
667,165	2,539,915	4,071,257	6,468,919	7,134,892	7,298,939
<u>\$ 6,814,556</u>	<u>\$ 9,900,622</u>	<u>\$ 11,244,359</u>	<u>\$ 11,671,734</u>	<u>\$ 12,243,649</u>	<u>\$ 13,961,557</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2010	2009	2008	2007
Revenues				
Local sources				
Property taxes	\$ 39,235,432	\$ 35,368,146	\$ 34,360,793	\$ 32,809,179
Replacement taxes	374,135	479,385	539,807	504,375
Tuition	511,664	389,555	480,819	385,857
Earnings on investments	379,369	562,238	947,748	1,407,436
Other local sources	3,265,725	2,754,127	2,813,911	2,631,707
Total local sources	<u>43,766,325</u>	<u>39,553,451</u>	<u>39,143,078</u>	<u>37,738,554</u>
State sources				
General state aid	1,077,939	1,005,990	1,237,734	1,147,353
Other state aid	7,690,272	6,900,558	5,697,821	4,459,451
Total state sources	<u>8,768,211</u>	<u>7,906,548</u>	<u>6,935,555</u>	<u>5,606,804</u>
Federal sources				
	<u>2,249,264</u>	<u>1,672,316</u>	<u>989,982</u>	<u>1,029,548</u>
Total revenues	<u>54,783,800</u>	<u>49,132,315</u>	<u>47,068,615</u>	<u>44,374,906</u>
Expenditures				
Current:				
Instruction				
Regular programs	18,750,516	18,160,883	17,633,998	16,100,710
Special programs	7,958,723	6,879,012	6,958,252	6,625,439
Other instructional programs	759,869	723,170	714,315	725,330
State retirement contributions	6,157,944	4,432,743	3,310,777	2,169,789
Total instruction	<u>33,627,052</u>	<u>30,195,808</u>	<u>28,617,342</u>	<u>25,621,268</u>
Supporting services				
Pupils	2,684,162	2,482,183	2,331,544	2,154,143
Instructional staff	1,007,502	1,122,126	954,851	823,239
General administration	1,511,291	1,681,670	1,195,220	1,102,170
School administration	1,647,689	1,629,084	1,750,785	1,578,924
Business	2,644,823	2,416,165	2,225,676	2,028,729
Transportation	1,080,032	853,567	869,524	890,907
Operations and maintenance	4,235,551	4,303,239	4,472,515	3,825,788
Central	2,817,788	2,488,280	2,159,068	2,183,608
Other supporting services	742,744	615,532	399,280	463,910
Total supporting services	<u>18,371,582</u>	<u>17,591,846</u>	<u>16,358,463</u>	<u>15,051,418</u>
Community services				
	<u>87,955</u>	<u>84,932</u>	<u>83,063</u>	<u>104,922</u>
Nonprogrammed charges				
	<u>923,504</u>	<u>870,966</u>	<u>66,636</u>	<u>196,635</u>
Total current	<u>53,010,093</u>	<u>48,743,552</u>	<u>45,125,504</u>	<u>40,974,243</u>
Other:				
Debt Service				
Principal	1,385,000	1,405,131	821,897	808,801
Interest	683,859	743,826	802,097	538,666
Capital outlay	2,051,020	3,607,079	4,490,452	2,621,361
Total other	<u>4,119,879</u>	<u>5,756,036</u>	<u>6,114,446</u>	<u>3,968,828</u>
Total expenses	<u>\$ 57,129,972</u>	<u>\$ 54,499,588</u>	<u>\$ 51,239,950</u>	<u>\$ 44,943,071</u>
Debt service as a percentage of noncapital expenditures	<u>3.8%</u>	<u>4.2%</u>	<u>3.5%</u>	<u>3.2%</u>

Source of information: District records.

2006	2005	2004	2003	2002	2001
\$ 31,346,683	\$ 30,656,858	\$ 29,245,817	\$ 29,037,589	\$ 28,867,607	\$ 27,319,577
462,300	364,745	301,428	265,215	286,125	344,771
282,005	188,542	276,550	194,826	196,269	185,171
1,059,059	587,310	246,225	285,652	813,975	1,118,985
2,303,614	2,234,702	2,246,630	2,274,351	2,181,167	2,007,552
<u>35,453,661</u>	<u>34,032,157</u>	<u>32,316,650</u>	<u>32,057,633</u>	<u>32,345,143</u>	<u>30,976,056</u>
1,100,373	1,065,351	999,196	981,292	891,211	-
3,485,276	4,075,697	4,409,364	3,763,943	3,803,013	4,821,442
<u>4,585,649</u>	<u>5,141,048</u>	<u>5,408,560</u>	<u>4,745,235</u>	<u>4,694,224</u>	<u>4,821,442</u>
1,024,668	589,333	633,752	751,255	584,874	542,748
<u>41,063,978</u>	<u>39,762,538</u>	<u>38,358,962</u>	<u>37,554,123</u>	<u>37,624,241</u>	<u>36,340,246</u>
15,399,237	14,174,281	13,374,055	11,854,973	11,371,033	11,248,264
6,071,825	5,108,176	4,436,111	3,921,858	3,878,983	3,023,617
602,212	444,444	466,280	491,523	400,927	396,003
1,484,730	2,291,090	2,500,820	2,093,379	1,776,139	1,705,515
<u>23,558,004</u>	<u>22,017,991</u>	<u>20,777,266</u>	<u>18,361,733</u>	<u>17,427,082</u>	<u>16,373,399</u>
2,135,841	1,592,798	1,463,932	1,333,933	1,233,553	936,168
845,703	796,700	740,118	524,196	503,264	548,340
1,114,295	1,075,944	1,036,142	960,105	834,266	764,227
1,471,641	1,464,348	1,328,316	1,241,387	1,221,191	1,197,662
1,933,482	1,795,520	1,768,247	1,544,086	1,686,345	1,718,140
895,260	851,875	924,305	985,221	861,172	917,420
3,447,831	3,164,589	3,027,625	3,090,111	2,793,739	2,689,874
2,302,909	1,804,324	2,007,515	1,944,404	1,776,933	1,612,092
403,804	426,194	492,264	449,247	354,876	333,144
<u>14,550,766</u>	<u>12,972,292</u>	<u>12,788,464</u>	<u>12,072,690</u>	<u>11,265,339</u>	<u>10,717,067</u>
110,062	81,407	84,686	84,186	82,014	71,919
450,173	920,188	1,241,055	948,744	916,109	1,310,842
<u>38,669,005</u>	<u>35,991,878</u>	<u>34,891,471</u>	<u>31,467,353</u>	<u>29,690,544</u>	<u>28,473,227</u>
977,699	957,385	973,924	655,000	765,000	965,000
578,230	626,547	640,998	608,011	640,118	384,047
3,405,798	3,375,880	4,308,934	2,972,064	4,590,147	5,922,152
<u>4,961,727</u>	<u>4,959,812</u>	<u>5,923,856</u>	<u>4,235,075</u>	<u>5,995,265</u>	<u>7,271,199</u>
<u>\$ 43,630,732</u>	<u>\$ 40,951,690</u>	<u>\$ 40,815,327</u>	<u>\$ 35,702,428</u>	<u>\$ 35,685,809</u>	<u>\$ 35,744,426</u>
<u>3.9%</u>	<u>4.2%</u>	<u>4.4%</u>	<u>3.9%</u>	<u>4.5%</u>	<u>4.5%</u>

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WILMETTE PUBLIC SCHOOLS DISTRICT 39
EQUALIZED ASSESSED VALUATION AND
ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN TAX LEVY YEARS

Tax Levy Year	Equalized Assessed Valuation	Amount of Increase Over Previous Year	Percentage Increase Over Previous Year	Actual Estimated Value *
2009	\$ 2,192,942,942	\$ 136,215,129	6.62%	\$ 6,578,828,826
2008	2,056,727,813	132,170,859	6.87%	6,170,183,439
2007	1,924,556,954	110,206,354	7.28%	5,773,670,862
2006	1,513,438,648	(6,490,453)	-0.43%	4,540,315,944
2005	1,519,929,101	125,127,701	8.97%	4,559,787,303
2004	1,394,801,400	276,996,757	24.78%	4,184,404,200
2003	1,117,804,643	(6,706,563)	-0.60%	3,353,413,929
2002	1,124,511,206	76,971,982	7.35%	3,373,533,618
2001	1,047,539,224	233,735,790	28.72%	3,142,617,672
2000	813,803,434	(7,318,664)	-0.89%	2,441,410,302

Source of information: Cook County Clerk's Office, Department of Tax Extension

WILMETTE PUBLIC SCHOOLS DISTRICT 39
PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING
GOVERNMENTS
LAST EIGHT TAX LEVY YEARS

Taxing District	2008	2007	2006	2005
Cook County	0.4150	0.4460	0.5000	0.5330
Cook County Forest Reserve	0.0510	0.0530	0.0570	0.0600
Suburban Tb Sanitarium	0.0000	0.0000	0.0050	0.0050
Consolidated Elections	0.0000	0.0120	0.0000	0.0140
New Trier Township	0.0310	0.0310	0.0390	0.0370
New Trier General Assistance	0.0030	0.0030	0.0030	0.0020
Metro Water Reclamation District	0.2520	0.2630	0.2840	0.3150
North Shore Mosquito Abatement District	0.0080	0.0080	0.0090	0.0080
New Trier High School District #203	1.2900	1.2990	1.6620	1.5770
Oakton Community College #535	0.1400	0.1410	0.1660	0.1580
Wilmette Park District	0.3480	0.3600	0.4410	0.4130
Village of Wilmette	0.5930	0.5970	0.7280	0.6710
Wilmette Public Library District	0.2410	0.2450	0.2980	0.2830
Total overlapping rate	<u>3.3720</u>	<u>3.4580</u>	<u>4.1920</u>	<u>4.0760</u>
Wilmette Public School District No. 39	<u>1.8114</u>	<u>1.8475</u>	<u>2.2607</u>	<u>2.1502</u>
Total direct and overlapping rate	<u><u>5.1834</u></u>	<u><u>5.3055</u></u>	<u><u>6.4527</u></u>	<u><u>6.2262</u></u>

Source: Cook County Clerk

Note: Tax rates are per \$100 of assessed value, the District began compiling this information in 2001,

Note: Overlapping rates for the 2009 tax levy were not available at the time of audit.

2004	2003	2002	2001
0.5930	0.6300	0.6900	0.7460
0.0600	0.0590	0.0610	0.0670
0.0010	0.0040	0.0060	0.0070
0.0000	0.0290	0.0000	0.0320
0.0370	0.0450	0.0430	0.0440
0.0020	0.0030	0.0020	0.0020
0.3470	0.3610	0.3710	0.4010
0.0080	0.0090	0.0090	0.0100
1.6210	1.7990	1.9350	1.6110
0.1610	0.1860	0.1790	0.1860
0.4400	0.5260	0.5100	0.4250
0.6890	0.7880	0.7390	0.7480
0.3150	0.3520	0.3150	0.3090
<u>4.2740</u>	<u>4.7910</u>	<u>4.8600</u>	<u>4.5880</u>
<u>2.2375</u>	<u>2.7062</u>	<u>2.6095</u>	<u>2.7420</u>
<u><u>6.5115</u></u>	<u><u>7.4972</u></u>	<u><u>7.4695</u></u>	<u><u>7.3300</u></u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND TWO YEARS AGO

<u>Taxpayer</u>	<u>2008 Equalized Assessed Valuation</u>	<u>Percentage of total 2008 Equalized Assessed Valuation (2)</u>
1630 Sheridan Corporation	\$ 17,573,731	0.85%
Joseph Moss	16,276,122	0.79%
Albertson Prop Tax	7,190,888	0.35%
Mallinckrodt LLC	5,570,962	0.27%
Next Wilmette LLC	5,113,711	0.25%
Ger Wilmette LLC	4,255,487	0.21%
Wolin Levin	4,159,421	0.20%
Westmoreland Country Club	3,581,043	0.17%
MNR CR HLTH SERV	3,486,150	0.17%
Michigan Shores Club	3,116,411	0.15%
	<u>\$ 70,323,926</u>	<u>3.41%</u>

(1) Source of information: Cook County Clerk and Assessor's Offices

(2) 2008 total assessed valuation for Wilmette Public Schools is \$2,056,727,183.

(3) 2006 total assessed valuation for Wilmette Public Schools is \$1,513,438,648.

<u>Taxpayer</u>	<u>2006 Equalized Assessed Valuation</u>	<u>Percentage of total 2006 Equalized Assessed Valuation (3)</u>
1630 Sheridan Corporation	\$ 14,985,015	0.99%
Plaza Del Lago	12,825,065	0.85%
Jewel Food Store	6,496,065	0.43%
3201 LLC	3,797,349	0.25%
Westmoreland Country Club	3,448,421	0.23%
Manor Health Care Corporation	3,156,004	0.21%
Wolin Levin	3,496,960	0.23%
Next Wilmette LLC	3,332,805	0.22%
Greg & Kim Polan	2,296,883	0.15%
LDP Mgmt. Inc	<u>2,205,642</u>	<u>0.15%</u>
	<u>\$ 56,040,209</u>	<u>3.71%</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF PROPERTY TAX RATES, EXTENSIONS AND COLLECTIONS
LAST NINE TAX LEVY YEARS

	2009	2008	2007	2006
Rates extended:				
Educational	\$ 1.3386	\$ 1.3838	\$ 1.3899	\$ 1.7011
Building (O&M)	0.1783	0.1895	0.2044	0.2556
Transportation	-	0.0056	0.0117	0.0147
Retirement (IMRF)	0.0208	0.0316	0.0260	0.0376
Social Security	0.0303	0.0474	0.0260	0.0315
Liability Insurance	0.0280	0.0365	0.0364	0.0450
Special Education	0.0097	0.0151	0.0156	0.0200
Working Cash Fund	0.0137	-	0.0287	0.0130
Life Safety	0.0352	0.0365	0.0390	0.0534
Debt service	0.0612	0.0654	0.0698	0.0888
Total rates extended	1.7158	1.8114	1.8475	2.2607
Property tax extensions:				
Educational	\$ 29,354,734	\$ 28,460,999	\$ 26,749,417	\$ 25,745,105
Building (O&M)	3,910,017	3,897,499	3,933,794	3,868,349
Transportation	-	115,177	225,173	222,475
Retirement (IMRF)	456,132	649,926	500,385	569,053
Social Security	664,462	974,889	500,385	476,733
Liability Insurance	614,024	750,706	700,539	681,047
Special Education	212,715	310,566	300,231	302,688
Working Cash Fund	300,433	-	552,348	196,747
Life Safety	771,916	750,706	750,577	808,176
Debt service	1,342,081	1,345,100	1,343,341	1,343,934
Total levies extended	\$ 37,626,515	\$ 37,255,568	\$ 35,556,190	\$ 34,214,308
Current year collections	\$ 19,647,976	\$ 17,057,169	\$ 16,726,251	\$ 15,879,969
Subsequent collections		19,742,077	18,266,019	17,598,143
Total collections	\$ 19,647,976	\$ 36,799,246	\$ 34,992,270	\$ 33,478,112
Percentage of extensions collected -				
current year	52.2%	45.8%	47.0%	46.4%
subsequent collections	0.0%	53.0%	51.4%	51.4%
Total percentage of extensions collected	52.2%	98.8%	98.4%	97.8%

Tax rates are expressed in dollars per one hundred of assessed valuation.

Source of information: Cook County Clerk

2005	2004	2003	2002	2001
\$ 1.6114	\$ 1.7017	\$ 2.0106	\$ 1.9250	\$ 2.0244
0.2525	0.2660	0.3358	0.3266	0.3615
0.0191	0.0127	0.0253	0.0253	0.0303
0.0346	0.0366	0.0461	0.0446	0.0504
0.0299	0.0308	0.0373	0.0367	0.0397
0.0382	0.0409	0.0495	0.0473	0.0523
0.0150	0.0158	0.0200	0.0148	0.0158
0.0312	0.0072	0.0257	0.0325	-
0.0299	0.0294	0.0357	0.0374	0.0395
0.0884	0.0964	0.1202	0.1193	0.1281
<u>2.1502</u>	<u>2.2375</u>	<u>2.7062</u>	<u>2.6095</u>	<u>2.7420</u>
\$ 24,492,138	\$ 23,735,335	\$ 22,474,580	\$ 21,646,841	\$ 21,206,384
3,837,821	3,710,172	3,753,588	3,672,654	3,786,854
290,306	177,140	282,805	284,501	317,404
525,895	510,497	515,308	501,532	527,960
454,459	429,599	416,941	412,696	415,873
580,613	570,474	553,313	531,894	547,863
227,989	220,379	223,561	166,428	165,511
474,218	100,426	287,276	365,466	-
454,459	410,072	399,056	420,567	413,778
1,343,617	1,344,589	1,343,601	1,341,542	1,341,898
<u>\$ 32,681,516</u>	<u>\$ 31,208,681</u>	<u>\$ 30,250,029</u>	<u>\$ 29,344,120</u>	<u>\$ 28,723,526</u>
\$ 15,286,326	\$ 14,893,475	\$ 14,148,215	\$ 13,856,985	\$ 13,534,159
16,929,210	16,060,358	15,910,435	15,050,415	14,846,588
<u>\$ 32,215,536</u>	<u>\$ 30,953,833</u>	<u>\$ 30,058,650</u>	<u>\$ 28,907,400</u>	<u>\$ 28,380,747</u>
46.8%	47.7%	46.8%	47.2%	47.1%
51.8%	51.5%	52.6%	51.3%	51.7%
<u>98.6%</u>	<u>99.2%</u>	<u>99.4%</u>	<u>98.5%</u>	<u>98.8%</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	General Obligation Bonds/ Accretion	Debt Certificates	Capital Leases	Total	Percentage of Personal Income
2010	\$ 11,155,000	\$ 3,620,000	\$ -	\$ 14,775,000	N/A
2009	11,895,000	4,265,000	-	16,160,000	N/A
2008	12,605,000	4,885,000	75,131	17,565,131	0.04%
2007	10,885,000	-	147,029	11,032,029	0.02%
2006	11,625,000	-	-	11,625,000	0.03%
2005	12,330,000	-	272,699	12,602,699	0.03%
2004	13,030,000	-	530,084	13,560,084	0.03%
2003	12,065,000	-	-	12,065,000	0.03%
2002	12,720,000	-	-	12,720,000	0.03%
2001	13,485,000	-	-	13,485,000	0.03%

N/A - information is unavailable at the time of audit.

Source of information: Annual Financial Statements 2001 to 2010.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
RATIO OF GENERAL BONDED DEBT TO EQUALIZED ASSESSED VALUATION
AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	General Bonded Debt	Less: Amounts Available to Repay Principal	Net General Bonded Debt	Percentage of Net General Bonded Debt to Assessed Valuation	Net General Bonded Debt Per Capita
2010	\$ 14,775,000	\$ 1,506,688	\$ 13,268,312	0.67%	N/A
2009	16,160,000	1,331,877	14,828,123	0.79%	614
2008	17,490,000	1,259,204	16,230,796	0.91%	614
2007	10,885,000	1,213,993	9,671,007	0.72%	366
2006	11,625,000	1,109,001	10,515,999	0.76%	380
2005	12,330,000	1,475,418	10,854,582	0.88%	393
2004	13,030,000	1,410,553	11,619,447	1.17%	420
2003	12,065,000	1,402,881	10,662,119	1.07%	386
2002	12,720,000	1,314,376	11,405,624	1.21%	412
2001	13,485,000	1,354,204	12,130,796	1.66%	439

N/A - information is unavailable at the time of audit.

Source of information: Annual Financial Statements 2001 to 2010.

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WILMETTE PUBLIC SCHOOLS DISTRICT 39
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
JUNE 30, 2010

Jurisdiction overlapping	Bonded indebtedness	Portion applicable to School District	
		Percent	Amount
County			
Cook County	\$ 3,583,275,000	1.186%	\$ 42,497,642
Cook County Forest Preserve	108,665,000	1.186%	1,288,767
Metropolitan Water Reclamation District	1,960,541,202 (1)	1.210%	23,722,549
School Districts			
High School District 203	23,676,902 (2)(3)	31.165%	7,378,907
Park Districts			
Wilmette Park District	30,265,000	89.250%	27,011,513
Glenview Park District	16,585,000 (2)	3.011%	499,374
Municipalities			
Village of Wilmette	66,370,000	89.044%	59,098,503
Village of Glenview	<u>155,240,000</u>	3.530%	<u>5,479,972</u>
Total overlapping debt	5,944,618,104		166,977,227
Wilmette Public School District No. 39	<u>11,155,000</u>	100.000%	<u>11,155,000</u>
Total overlapping and direct bonded debt	<u><u>5,955,773,104</u></u>		<u><u>178,132,227</u></u>

(1) Includes IEPA Revolving Loan Fund Bonds

(2) Excludes outstanding principal amounts of General Obligation Alternative Revenue Source Bonds which are expected to be paid from sources other than general taxation.

(3) Includes original principal amounts of outstanding General Obligation Capital Appreciation Bonds.

Source: Cook County Clerk

Note: Percent applicable to School District calculated using assessed valuation of the School District area value contained within the noted governmental unit divided by assessed valuation of the governmental unit. Overlapping governments with no outstanding debt are not reflected.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Debt limit	\$ 151,313,063	\$ 141,911,586	\$ 132,794,430	\$ 104,427,267
Total net debt applicable to limit	<u>13,268,312</u>	<u>16,160,000</u>	<u>17,565,131</u>	<u>11,032,028</u>
Legal debt margin	<u>\$ 138,044,751</u>	<u>\$ 125,751,586</u>	<u>\$ 115,229,299</u>	<u>\$ 93,395,239</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>8.77%</u>	<u>11.39%</u>	<u>13.23%</u>	<u>10.56%</u>

Legal Debt Margin calculation for fiscal year June 30, 2009

Assessed valuation of taxable properties for the tax year 2009	\$ 2,192,942,942
Rate	<u>6.9%</u>
Debt Limit	<u>151,313,063</u>
Debt subject to limitation:	
Total debt subject to limitation	14,775,000
Less Debt Service Fund balance	<u>(1,506,688)</u>
Net debt outstanding subject to limitation	<u>13,268,312</u>
Legal bonded debt margin at June 30, 2010	<u>\$ 138,044,751</u>

Source of information: District records.
Assessed valuation obtained from Will County tax reports.

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
\$ 104,875,108	\$ 96,423,208	\$ 77,591,273	\$ 77,591,273	\$ 72,280,206	\$ 56,152,437
<u>11,625,000</u>	<u>12,602,699</u>	<u>13,560,083</u>	<u>12,065,000</u>	<u>12,720,000</u>	<u>12,980,012</u>
<u>\$ 93,250,108</u>	<u>\$ 83,820,509</u>	<u>\$ 64,031,190</u>	<u>\$ 65,526,273</u>	<u>\$ 59,560,206</u>	<u>\$ 43,172,425</u>
<u>11.08%</u>	<u>13.07%</u>	<u>17.48%</u>	<u>15.55%</u>	<u>17.60%</u>	<u>23.12%</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
DEMOGRAPHIC AND MISCELLANEOUS STATISTICS
LAST TEN CALENDAR YEARS

Year	Population	Personal Income (<i>thousands of dollars</i>)	Per Capita Personal Income	Unemployment rate
2009	26,300	N/A	N/A	6.2%
2008	26,418	1,886,958	71,427	3.8%
2007	26,435	1,888,173	71,427	3.0%
2006	27,651	1,537,700	55,611	2.7%
2005	27,651	1,537,700	55,611	3.6%
2004	27,651	1,537,700	55,611	3.9%
2003	27,651	1,537,700	55,611	4.4%
2002	27,651	1,537,700	55,611	3.4%
2001	27,651	1,537,700	55,611	2.4%
2000	27,651	1,537,700	55,611	1.6%

N/A - information is unavailable at the time of audit.

Sources: US Census Bureau, Illinois Department of Employment Security

WILMETTE PUBLIC SCHOOLS DISTRICT 39
PRINCIPAL EMPLOYERS
MOST RECENT YEAR AVAILABLE AND TWO YEARS AGO

Employer (1)	2010	
	Employees	Percentage of Total City Employment (2)
Wilmette Park District	1,190 **	10.2%
Wilmette School District Number 39	588 *	5.0%
Village of Wilmette	254	2.2%
Carson Pirie Scott & Co.	250 **	2.1%
Koenig & Strey GMAC Real Estate	136	1.2%
F.J. Kerrigan Plumbing Co.	60	0.5%
North Suburban Patrol Inc.	60	0.5%
Bierdeman Paper Box, Inc.	45	0.4%
Edens Bank	34	0.3%
Kashian Bros	32	0.3%
Chase Bank, Div of JP Morgan & Chase Co.	30	0.3%
Homers Ice Cream, Inc.	28	0.2%
Total	2,707	23.20%

	2008	
	Employees	Percentage of Total City Employment
Wilmette Park District	800 **	N/A
Wilmette School District Number 39	621 *	N/A
Carson Pirie Scott & Co.	390	N/A
Village of Wilmette	250	N/A
Koenig & Strey GMAC Real Estate	130	N/A
F.J. Kerrigan Plumbing Co.	65	N/A
North Suburban Patrol Inc.	60	N/A
Chase Bank, Div of JP Morgan & Chase Co.	50	N/A
Bierdeman Paper Box, Inc.	45	N/A
Homers Ice Cream, Inc.	45	N/A
	2,456	N/A

Source: Phone canvass of employers, Illinois Services and Manufacturers Directories, Harris Illinois Industrial Directory, and Illinois Department of Commerce and Economic Opportunity

Note: District began compiling the information in 2008. Information from nine years ago was unavailable.

Note: Total city employment for 2010 is 11,714. Total city employment for 2008 is not available.

* Includes part-time employees

** Includes seasonal employees

WILMETTE PUBLIC SCHOOLS DISTRICT 39
NUMBER OF EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS

	2009 - 2010	2008 - 2009	2007 - 2008	2006 - 2007
Administration:				
Superintendent	1	1	1	1
District Administrators	6	6	5	3
Principals and assistants	9	9	9	10
Total administration	16	16	15	14
Instruction:				
Teachers:				
Elementary (K-4)	91	93	89	89
Middle (5-8)	35	34	35	34
Jr. High (7-8)	35	35	33	33
Art	9	9	9	8
Music	13	13	12	12
Drama	3	3	3	2
Foreign language	20	20	17	19
Library media specialist	6	6	5	6
Physical education	19	19	19	19
Special education and bilingual	78	78	75	72
Curriculum differentiation/gifted	8	8	8	8
Curriculum Coordinators	2	1	1	4
Psychologists	6	7	6	5
Certified school nurse	1	1	-	-
School workers and counselors	10	10	9	8
Technology	8	9	9	8
Total instruction	344	346	330	327
Other supporting staff:				
Clerical 10 month	11	11	11	18
Clerical 12 month	11	11	10	13
Classroom assistants	29	24	27	22
Reading assistants	4	4	3	3
Special education assistants	87	92	93	79
Technology	5	5	5	6
Maintenance custodians & warehouse	36	37	37	39
Food Service	20	18	18	17
Transportation	13	12	14	11
Nurses	7	9	9	7
Occupation and physical therapists	5	7	6	4
Total support staff	228	230	233	219
Total staff	588	592	578	560

Source: Obtained from the District's Human Resources department.

2005 - 2006	2004 - 2005	2003 - 2004	2002 - 2003	2001 - 2002	2000 - 2001
1	1	1	1	1	1
3	4	4	4	4	4
10	10	8	8	8	8
14	15	13	13	13	13
90	89	92	90	87	88
34	32	32	32	32	32
34	36	36	35	36	34
9	8	9	7	7	7
12	12	12	11	10	10
3	3	3	3	3	3
18	12	12	11	11	11
6	6	6	6	6	6
19	17	17	17	17	16
66	61	53	52	46	40
8	8	8	10	8	6
3	3	4	2	2	1
5	5	5	5	5	4
1	1	1	1	-	-
8	8	8	7	8	8
8	8	8	8	7	7
324	309	306	297	285	273
18	19	19	19	18	18
14	12	12	12	13	11
24	24	23	23	24	24
3	3	4	4	3	3
85	72	67	75	68	56
6	6	5	3	3	1
38	38	38	37	34	33
17	17	17	17	16	16
9	12	10	10	12	13
6	6	6	6	7	8
5	3	3	3	2	-
225	212	204	209	200	183
563	536	523	519	498	469

WILMETTE PUBLIC SCHOOLS DISTRICT 39
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Fiscal year ended June 30,	Average Daily Attendance	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil
2010	3,341	\$ 43,841,587	\$ 13,122	0.48%	\$ 54,546,246	\$ 16,326
2009	3,332	43,512,656	13,059	2.97%	52,958,533	15,894
2008	3,242	41,114,752	12,682	9.28%	48,215,745	14,872
2007	3,278	38,041,791	11,605	5.06%	43,700,055	13,331
2006	3,278	36,208,102	11,046	9.14%	41,822,555	12,759
2005	3,250	32,891,001	10,120	6.12%	38,465,662	11,836
2004	3,282	31,299,697	9,537	8.04%	37,071,129	11,295
2003	3,244	28,635,462	8,827	8.69%	33,548,991	10,342
2002	3,338	27,108,206	8,121	-0.08%	35,685,809	10,691
2001	3,129	25,432,228	8,128	3.20%	35,744,426	11,424

Source of information: District records.

Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced Meals
2.72%	344	9.7	2.20%
6.87%	346	9.6	0.30%
11.56%	330	9.8	0.30%
4.49%	327	10.0	0.30%
7.80%	324	10.1	0.30%
4.78%	309	10.5	0.22%
9.22%	306	10.7	0.14%
-3.26%	297	10.9	0.14%
-6.41%	285	11.7	0.09%
10.21%	273	11.5	0.09%

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

	2010	2009	2008	2007
Harper School				
Square feet	47,000	47,000	47,000	47,000
Capacity (students)	456	456	456	456
Enrollment	432	419	444	439
Romona School				
Square feet	77,500	77,500	77,500	77,500
Capacity (students)	528	528	528	528
Enrollment	535	495	489	512
Central School				
Square feet	76,000	76,000	76,000	76,000
Capacity (students)	696	696	696	696
Enrollment	551	551	570	542
McKenzie School				
Square feet	69,000	69,000	69,000	69,000
Capacity (students)	624	624	624	624
Enrollment	535	508	478	478
Wilmette Junior High				
Square feet	113,000	113,000	113,000	113,000
Capacity (students)	917	917	917	917
Enrollment	861	880	879	834
Highcrest Middle School				
Square feet	123,425	123,425	123,425	123,425
Capacity (students)	850	850	850	850
Enrollment	801	812	843	857
Mikaelian Education Center				
Square feet	23,560	23,560	23,560	23,560

Source of information: District records.

2006	2005	2004	2003	2002	2001
47,000	47,000	47,000	47,000	47,000	47,000
456	456	456	456	456	456
418	387	420	387	377	392
77,500	77,500	77,500	77,500	77,500	77,500
528	528	528	528	528	528
516	479	493	453	439	433
76,000	76,000	76,000	76,000	76,000	76,000
696	696	696	696	696	696
564	576	576	572	576	579
69,000	69,000	69,000	69,000	69,000	69,000
624	624	624	624	624	624
489	523	509	517	499	486
113,000	113,000	113,000	113,000	113,000	113,000
917	917	917	917	917	917
806	808	802	840	784	754
123,425	123,425	123,425	123,425	123,425	123,425
850	850	850	850	850	850
822	810	796	786	794	802
23,560	23,560	23,560	23,560	23,560	23,560

WILMETTE PUBLIC SCHOOLS DISTRICT 39
MISCELLANEOUS STATISTICS
JUNE 30, 2010

Location:	Approximately 15 miles north of Chicago's "Loop" bordering Lake Michigan and comprising most of the Village of Wilmette and a small portion of Glenview
Date of organization:	1901
Number of schools:	6
Area served:	4.4 sq miles
Median home value:	\$ 441,600
Student enrollment:	3,715
Certified teaching staff:	344
Pupil/Teacher ratio:	11
Faculty holding masters degree:	66.0%