



Wilmette

Public School District 39

Wilmette, Illinois

Comprehensive Annual Financial Report
Year ended June 30, 2013



COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

WILMETTE PUBLIC SCHOOLS DISTRICT 39

WILMETTE, ILLINOIS

For the Fiscal Year Ended June 30, 2013

Official Issuing Report

Gail F. Buscemi, Assistant Business Manager

Department Issuing Report

Business Office

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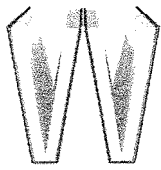
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WILMETTE
Public Schools
DISTRICT 39

October 28, 2013

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, 2013 is submitted herewith. The audit fieldwork was completed on August 28, 2013 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.

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

Harper School
1101 Dartmouth
Wilmette, IL 60091
v 847-251-6754
f 847-251-4176

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

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

**Highest
Middle School**
569 Hunter Rd
Wilmette, IL 60091
v 847-853-2900
f 847-256-0083

**Wilmette Junior
High School**
620 Locust Rd
Wilmette, IL 60091
v 847-256-7280
f 847-256-0204

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 CPAs.

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 26,119. 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.

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 3,642 in 2013. An elected 7-member Board of Education and a full-time administrative staff govern the District. The District employs 542 persons. Of these, 17 are administrators, 325 are teachers and 200 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 \$63,126,580, a decrease of 1.7% when compared to FY 2012.

Revenue Sources	2013 Amount (\$000)	Percent of Total	Increase (Decrease) from 2012 (\$000)	Percentage Increase (Decrease) from 2012
Local Sources				
Property Taxes	\$ 45,917	72.7%	\$ (2,774)	-5.7%
Personal Property Replacement Taxes	459	0.7%	26	6.0%
Earnings on Investments	56	0.1%	43	330.8%
Other	3,657	5.8%	(54)	-1.5%
Total Local Sources	50,089	79.3%	(2,759)	-5.2%
State and Federal Sources	13,038	20.7%	1,675	14.7%
Total Revenue	\$ 63,127	100.0%	\$ (1,084)	-1.7%

Total Local Revenues posted a net decrease of 5.2% in Fiscal Year 2013 when compared to the preceding fiscal year. Despite \$36,823 in uncollected State payments, revenue received from State and Federal Sources increased by 14.7% primarily due to the receipt of State payments for FY12 received in FY13. The on-behalf payments made by the State to the Teachers' Retirement System (TRS) increased by \$1,211,139 or 18.3%.

Allocations of the 2012 property tax levy and the preceding two levy years are as follows (per \$100 of assessed value):

Fund Type	Levy Year		
	2012	2011	2010
General (Educational)	2.3164	2.0841	1.8402
Operations & Maintenance	0.2894	0.2600	0.2062
Transportation	0.0265	0.0129	0.0114
Municipal Retirement	0.0567	0.0509	0.0449
Social Security	0.0567	0.0509	0.0449
Working Cash	0.0065	0.0058	0.0051
Debt Service	0.0861	0.0797	0.0707
Tort Immunity	0.0671	0.0603	0.0383
Life Safety	0.0000	0.0000	0.0383
Special Education	0.0165	0.0148	0.0131
Total Tax Rate	2.9219	2.6194	2.3131
Collection/Levy	50.8%	99.2%	98.2%

The expenditures of the major functions of all governmental fund types increased by \$5,389,415 from the prior fiscal year. This represents a percentage increase of 9.3%. Variances in levels of expenditures for major functions of the District over the preceding year are shown in the following tabulation:

Expenditures	2013 Amount (\$000)	Percent of Total	Increase (Decrease) from 2012 (\$000)	Percentage Increase (Decrease) from 2012
<u>Function</u>				
Instruction	\$ 36,182	57.6%	\$ 2,365	7.0%
Support Services	21,966	35.0%	3,245	17.3%
Debt Service	2,370	3.8%	139	6.2%
Capital Outlay	773	1.2%	(522)	-40.3%
Non-programmed Charges	1,485	2.4%	162	12.2%
Total Expenditures	\$ 62,776	100.0%	\$ 5,389	9.4%

Although the overall increase is 9.4%, there is a notable decrease of 40.3% in capital outlay. Fiscal Year 2012 was year three of the Life Safety project, which completed the outstanding Life Safety list.

Under separate collective bargaining agreements with the teachers' and support staff unions, actual labor costs increased by 3.69% in Fiscal Year 2013. Salaries account for 53.4% of total operating expenditures and 76.5% 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, 2013, the District's capital assets, net of accumulated depreciation, amounted to \$36.7 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 2013 with an Educational Fund balance of \$24.2 million, or an adequate 45.7% of Educational Fund revenues. Adding to the district's financial flexibility is a FY 2013 Working Cash Fund balance of \$0.5 million, contributing to a combined operating fund balance of 32.9 million. The District receives the majority of its operating revenues from property taxes (72.7% of FY 2013 revenues) followed by state and federal aid (20.6%). The District's goal is to sustain an operating fund balance (Educational, O&M, Transportation, IMRF & Social Security, Tort Immunity & Judgment and Working Cash) at a level equivalent to 30% of annual operating expenditures. In FY13, the level was 55.2%.

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 teachers and 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 members of the Board of Education.

MAJOR INITIATIVES

Improvements to District Facilities

The district had several capital improvement and life safety projects during the 2012-2013 school year. The following summarizes the projects by school:

Romona Elementary School

- Auditorium Renovation
- HVAC Renovations

Central Elementary School

- HVAC Renovations

Wilmette Junior High School

- Science addition/renovation work

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, 2013.

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

Gail Buscemi
Assistant Business Manager

WILMETTE PUBLIC SCHOOLS DISTRICT NO. 39

**616 Locust Road
Wilmette, Illinois 60091**

**Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2013**

Board of Education

		<u>Term Expires</u>
John M. Flanagan	President	2017
Alice D. Schaff	Vice President	2015
Kimberly W. Alcantara	Member	2017
Karen L. Donnan	Member	2015
Keith Dronen	Member	2015
Cindy Levine	Member	2017
Mark Steen	Member	2017

District Administration

Dr. Raymond Lechner	Superintendent
Dr. Margaret Clauson	Assistant Superintendent
Dr. Crystal LeRoy (through August 31, 2013)	Business Manager
Mrs. Melanie Horowitz	Administrator for Curriculum
Dr. Denise Thrasher	Administrator for Student Services
Mr. Adam Denenberg	Director of Technology and Media Services

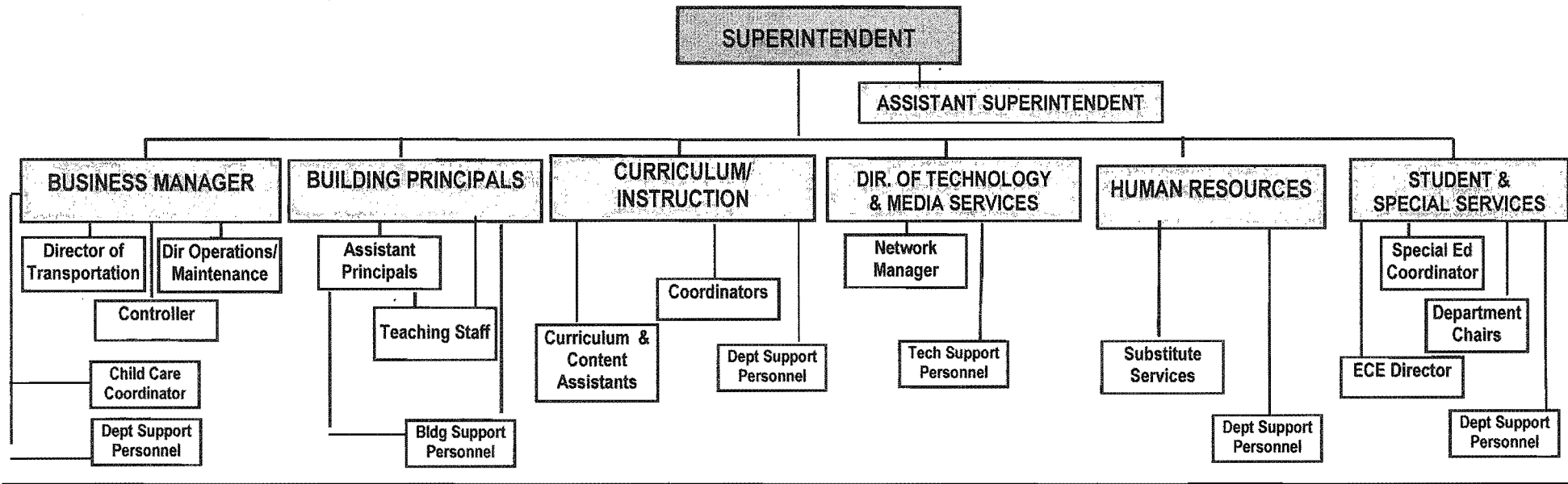
Official Issuing Report

Gail F. Buscemi
Assistant Business Manager

Department Issuing Report

Business Office

Wilmette Public Schools District 39



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



Independent Auditor's Report

Board of Education
Wilmette Public Schools District 39
Wilmette, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Wilmette Public Schools District 39, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Wilmette Public Schools District 39's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Wilmette Public Schools District 39's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Wilmette Public Schools District 39, as of June 30, 2013, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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 responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Wilmette Public Schools District 39's basic financial statements. The combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory 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 any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 2, 2013 on our consideration of 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Wilmette Public Schools District 39's internal control over financial reporting and compliance.



Klein Hall CPAs
Aurora, Illinois
October 2, 2013

Wilmette Public Schools District 39

Management's Discussion and Analysis

For the Year Ended June 30, 2013

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, 2013. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. All amounts, unless otherwise indicated, are expressed in millions of dollars. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- For the twelfth year in a row, the District will retain the ISBE's highest financial rating. Financial recognition, for FY13 and its overall weighted score remained 4.00 on a 4-point scale.
- General revenues accounted for \$47.7 or 75.3% of total revenue. General revenues consisted of property tax revenues of \$45.9, other local revenues of \$0.7 and Federal and State aid not restricted to specific purposes of \$1.1.
- The District had \$60.5 in expenses related to government activities, of which, \$15.6 were offset by program specific charges, grants and contributions.
- The District committed \$4.9 for construction projects in the coming year.
- The District continued to make security enhancements and HVAC renovations throughout the District during the year.
- The District completed an addition to Wilmette Jr. High School for a science lab and a renovation of the theater at Romona Elementary School.
- The District's long-term debt margin remains a healthy 81.2% for FY13 with an accessible debt capacity of \$91.7.
- The District permanently transferred \$0.8 from the Operations and Maintenance Account to the Debt Service Fund to cover debt principal and interest payments.

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.

Wilmette Public Schools District 39

Management's Discussion and Analysis

For the Year Ended June 30, 2013

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

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

The government-wide financial statements present the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). 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.

Wilmette Public Schools District 39
Management's Discussion and Analysis
For the Year Ended June 30, 2013

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 (Educational, Operations and Maintenance, Working Cash and Tort Immunity Accounts) and Debt Service Funds, which are considered to be major funds. The Transportation, Municipal Retirement 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.

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, 2013

Government-Wide Financial Analysis

Net Position: The District's total assets are \$100.7, total liabilities are \$54.3 and the total net position for the year ending June 30, 2013 are \$46.4. (See Table 1)

Table 1		
Condensed Statement of Net Position		
(in millions of dollars)		
	2013	2012
Assets:		
Current assets	\$ 63.7	\$ 61.4
Other assets	0.3	0.4
Capital assets	36.7	35.8
Total assets	<u>100.7</u>	<u>97.6</u>
Liabilities		
Current liabilities	28.5	26.9
Long-term debt outstanding	25.8	27.0
Total liabilities	<u>54.3</u>	<u>53.9</u>
Net position:		
Net investment in capital assets	17.5	17.8
Restricted	3.4	4.0
Unrestricted	25.4	21.9
Total net position	<u>\$ 46.4</u>	<u>\$ 43.7</u>

Wilmette Public Schools District 39
Management's Discussion and Analysis
For the Year Ended June 30, 2013

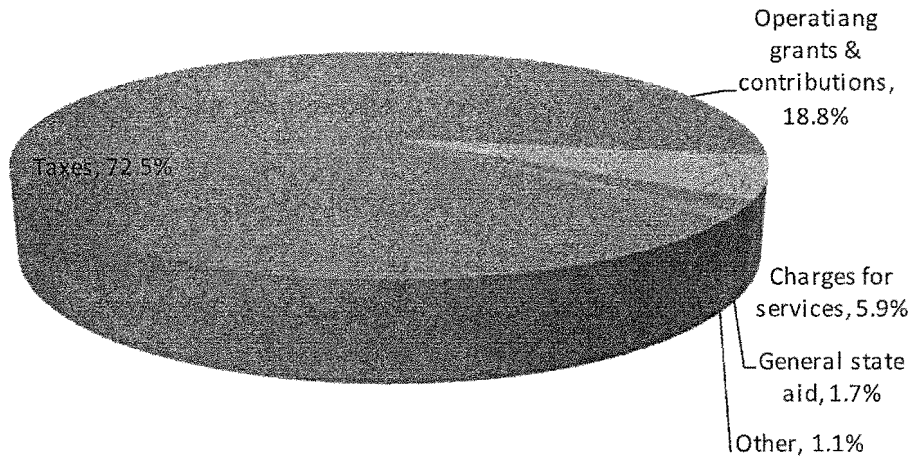
Changes in net position: The District's net position increased by \$2.8 due to an increase in general revenues. (See Table 2)

Table 2				
Changes in Net Position				
<i>(in millions of dollars)</i>				
	2013		2012	
Revenue:				
Program Revenues:				
Charges for services	\$	3.7	\$	3.7
Operating grants & contributions		11.9		10.1
General revenues:				
Taxes		45.9		48.7
General state aid		1.1		1.3
Other		0.7		0.4
Total revenues	\$	<u>63.3</u>	\$	<u>64.2</u>
Expenses:				
Instruction		38.7		36.5
Pupil & instructional services		4.4		4.0
Administration & business		6.2		6.5
Transportation		1.4		1.1
Operations & maintenance		4.7		4.2
Other		5.1		5.0
Total expenses		<u>60.5</u>		<u>57.3</u>
Increase in net position	\$	<u>2.8</u>	\$	<u>6.9</u>

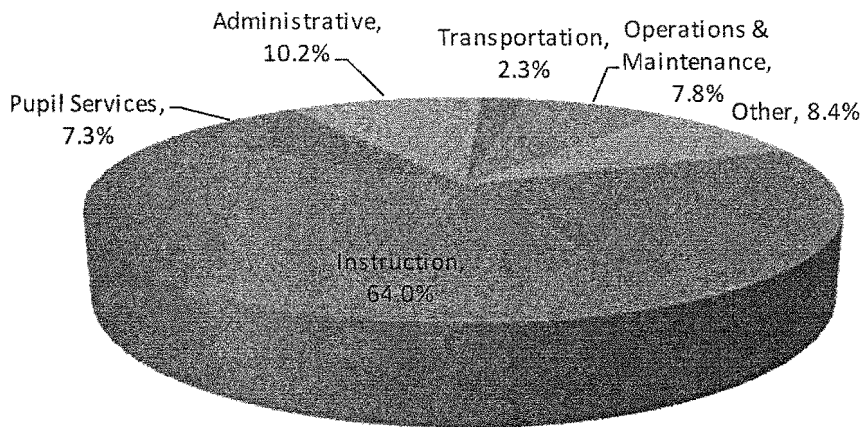
Property taxes accounted for most of the District's revenue, contributing about 72.5 cents of every dollar raised. The remainder comes from restricted and unrestricted state and federal, fees charged for services and miscellaneous sources. The total cost of all programs and services was \$60.5. The District's expenses are predominantly (73.6%) 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, 2013

Government-Wide Revenues by Source



Government-Wide Expenditures by Function



Financial Analysis of the District's Funds

The statement of net position 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 \$35.3, a \$0.7 increase for the year.

Wilmette Public Schools District 39

Management's Discussion and Analysis

For the Year Ended June 30, 2013

General (Educational) Fund

FY13 Educational Fund revenue exceeded expenditures by \$3.8. Local revenues decreased by \$2.9 or 6.7% compared to last year. State educational aid increased by 14.8% and federal aid increased 3.4% over 2012. Overall expenditures contributed to the enhancements of the instructional programs, negotiated certified staff salary increased, rising costs in health insurance premiums, and technology improvements. General (Educational) Fund expenditures increased 6.7% resulting in a year-end fund balance of \$24.2.

Tort Immunity Fund

In FY13, the Tort Immunity Fund revenues were \$1.1 and expenditures were \$0.7 resulting in a year-end fund balance of \$0.4.

Operations and Maintenance Fund

In FY13, the Operations and Maintenance Fund revenues were \$4.6 and expenditures were \$6.9, resulting to a year-end fund balance of \$6.7, after taking into account other financing uses of \$0.8.

Transportation Fund

Overall, the FY13 Transportation Fund expenditures exceeded revenues by \$0.2. Revenue increased by \$21.4% primarily due to property tax receipts. Expenditures increased by 28.0% primarily due to an increase in purchased services in FY13.

Illinois Municipal Retirement Fund

The Municipal Retirement/Social Security Fund revenues exceeded expenditures by \$0.3 resulting in a year end fund balance of \$0.7.

Working Cash Fund

The Working Cash Fund received \$0.1 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 FY13 was \$0.5.

Debt Service Fund

The Debt Service Fund had an excess of expenditures over revenues and other financing sources of \$0.2 and ended with a balance of \$2.2.

Wilmette Public Schools District 39
Management's Discussion and Analysis
For the Year Ended June 30, 2013

Fire Prevention and Life Safety Fund

In FY11, the issuance of \$5.1 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 at FY13 was \$0.2.

Capital Asset and Debt Administration

Capital assets

The District's capital assets consist of a total investment of \$78.2 (\$36.7 net of accumulated depreciation). Total depreciation expense for the year was \$3.1. More detailed information about capital assets can be found in Note 5 to the basic financial statements.

	2013	2012
Land	\$ 0.6	\$ 0.6
Land improvements	1.9	1.9
Buildings	28.5	29.5
Vehicles & Equipment	3.3	3.8
Construction in Progress	2.4	-
Total	\$ 36.7	\$ 35.8

Wilmette Public Schools District 39
Management's Discussion and Analysis
For the Year Ended June 30, 2013

Long-term debt

In 2013 the District retired \$1.5 in bonds and debt certificates. At the end of fiscal year 2013, the District had a debt margin of \$91.7. More detailed information can be found in Note 6 of the basic financial statements.

	2013	2012
General obligation bonds	\$ 14.9	\$ 15.7
Debt certificates & other	10.9	11.3
Total	\$ 25.8	\$ 27.0

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 2013 ISBE Financial Profile Calculations					
Indicator	Value	Rating	Weighting	District Score	Max Possible
Fund Balance to revenue	62.3%	4	0.35	1.40	1.40
Expenses to revenue	97.2%	4	0.35	1.40	1.40
Cash on hand	267.32 days	4	0.10	0.40	0.40
Short term debt remaining	100.0%	4	0.10	0.40	0.40
Long term debt remaining	79.3%	4	0.10	0.40	0.40
Total				4.00	4.00

The District's total profile score last year was 4.00 out of a possible 4.00. The projected score for FY13 is 4.00 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, FY10 and FY11 when it received a 3.55.

Wilmette Public Schools District 39

Management's Discussion and Analysis

For the Year Ended June 30, 2013

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 negotiated a new contract through fiscal year 2016.
- The District's support staff negotiated a new contract that took effect in fiscal year 2013. The four-year contract will directly influence expenditure patterns through fiscal year 2016.
- Refunds from property tax appeals continue to have a negative effect on net local property tax revenue receipts.
- For fiscal year 2013, the District is closely watching the outcome of the State of Illinois' pension reform. Although no action has yet been taken, the State is deciding whether to shift some or all of the responsibility for funding of teachers' pensions to the local school districts. The State is expected to contribute approximately \$7 million to pensions for District 39 teachers for FY13. The State's decision could significantly change the District's financial position.

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 POSITION
JUNE 30, 2013

	Governmental Activities
Assets:	
Cash and investments	\$ 40,532,856
Receivables:	
Property taxes	23,020,691
Due from other governments	180,671
Other	5,220
Prepaid items	91,444
Deferred charges	252,743
Capital assets:	
Land and construction in progress	3,042,661
Other capital assets, net of depreciation	33,627,037
 Total assets	 100,753,323
Liabilities:	
Accounts payable	284,018
Accrued salaries and related expenditures	4,424,121
Unearned revenue	23,801,195
Noncurrent liabilities:	
Due within one year	1,580,000
Due in more than one year	24,234,247
 Total liabilities	 54,323,581
Net Position:	
Net investment in capital assets	17,538,397
Restricted for:	
Debt service	2,195,715
Transportation	341,036
Retirement	720,111
Capital projects	186,112
Unrestricted	25,448,371
 Total net position	 \$ 46,429,742

See accompanying notes to basic financial statements

WILMETTE PUBLIC SCHOOLS DISTRICT 39
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2013

Functions	Expenses	Program Revenues		Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions		Total Governmental Activities
Governmental Activities:					
Instructional services:					
Regular programs	\$ 30,919,528	\$ 1,448,234	\$ 8,015,469	\$ -	\$ (21,455,825)
Special programs	7,808,129	336,805	3,501,057	-	(3,970,267)
Support services:					
Pupils	3,071,419	-	-	-	(3,071,419)
Instructional staff	1,285,528	-	-	-	(1,285,528)
General administration	2,149,505	-	-	-	(2,149,505)
School administration	1,802,832	-	-	-	(1,802,832)
Business	2,277,739	1,277,669	37,168	-	(962,902)
Operation and maintenance					
of facilities	4,746,517	33,836	50,000	-	(4,662,681)
Transportation	1,384,496	561,038	291,934	-	(531,524)
Central	2,299,090	-	-	-	(2,299,090)
Other	414,176	-	-	-	(414,176)
Community Services	108,810	-	-	-	(108,810)
Non programmed charges	1,375,734	-	-	-	(1,375,734)
Interest on long-term liabilities	869,273	-	-	-	(869,273)
Total school district	\$ 60,512,776	\$ 3,657,582	\$ 11,895,628	\$ -	(44,959,566)
General revenues:					
Property taxes levied for:					
General purposes					36,733,471
Specific purposes					7,811,155
Debt service					1,371,918
Federal and state aid not restricted to specific purposes					1,142,407
Earnings on investments					55,883
Gain on sale of capital assets					143,444
Miscellaneous					458,536
					<u>47,716,814</u>
					2,757,248
					<u>43,672,494</u>
					<u>\$ 46,429,742</u>

See accompanying notes to basic financial statements

WILMETTE PUBLIC SCHOOLS DISTRICT 39
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>				
Assets:				
Cash and investments	\$ 36,573,689	\$ 2,195,432	\$ 1,763,735	\$ 40,532,856
Receivables:				
Property taxes	21,242,010	676,917	1,101,764	23,020,691
Due from other governments	180,671	-	-	180,671
Other	4,709	283	228	5,220
Prepaid Items	91,444	-	-	91,444
TOTAL ASSETS	<u>\$ 58,092,523</u>	<u>\$ 2,872,632</u>	<u>\$ 2,865,727</u>	<u>\$ 63,830,882</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 232,967	\$ -	\$ 51,051	\$ 284,018
Accrued salaries and related expenditures	4,169,896	-	254,225	4,424,121
Deferred revenue	21,811,086	676,917	1,313,192	23,801,195
Total Liabilities	<u>26,213,949</u>	<u>676,917</u>	<u>1,618,468</u>	<u>28,509,334</u>
Fund Balances:				
Nonspendable	91,444	-	-	91,444
Restricted - reported in special revenue funds	-	-	1,061,147	1,061,147
Restricted - reported in capital projects funds	-	-	186,112	186,112
Restricted - reported in debt service funds	-	2,195,715	-	2,195,715
Unassigned	31,787,130	-	-	31,787,130
Total Fund Balances	<u>31,878,574</u>	<u>2,195,715</u>	<u>1,247,259</u>	<u>35,321,548</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 58,092,523</u>	<u>\$ 2,872,632</u>	<u>\$ 2,865,727</u>	<u>\$ 63,830,882</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 POSITION
JUNE 30, 2013

Total fund balances - governmental funds	\$ 35,321,548
 Amounts reported for governmental activities in the statement of net position 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 \$78,152,628 and the accumulated depreciation is \$41,482,930.	36,669,698
Deferred charges included in the statement of net position are not available to pay for current period expenditures and accordingly, are not included in the governmental funds balance sheet.	252,743
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	(23,931,483)
Net pension obligation - IMRF	(207,638)
Other postemployment benefits	<u>(1,675,126)</u>
Net position of governmental activities	<u>\$ 46,429,742</u>

See accompanying notes to basic financial statements

WILMETTE PUBLIC SCHOOLS DISTRICT 39
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2013

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
REVENUES				
Local sources	\$ 46,026,402	\$ 1,375,023	\$ 2,687,120	\$ 50,088,545
State sources	11,405,326	-	291,934	11,697,260
Federal sources	1,340,775	-	-	1,340,775
Total Revenues	58,772,503	1,375,023	2,979,054	63,126,580
EXPENDITURES				
Current operating:				
Instruction	35,487,171	-	694,841	36,182,012
Supporting services	19,781,073	-	2,184,593	21,965,666
Community services	100,500	-	8,310	108,810
Non-programmed charges	1,375,734	-	-	1,375,734
Debt service				
Principal	-	1,505,000	-	1,505,000
Interest and other	-	865,499	-	865,499
Capital outlay	-	-	773,727	773,727
Total Expenditures	56,744,478	2,370,499	3,661,471	62,776,448
Excess (deficiency) of revenues over expenditures	2,028,025	(995,476)	(682,417)	350,132
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	359,200	359,200
Transfers in	-	800,700	-	800,700
Transfers out	(800,700)	-	-	(800,700)
Total other financing sources (uses)	(800,700)	800,700	359,200	359,200
Net change in fund balances	1,227,325	(194,776)	(323,217)	709,332
Fund balances at beginning of year	30,651,249	2,390,491	1,570,476	34,612,216
FUND BALANCES AT END OF YEAR	\$ 31,878,574	\$ 2,195,715	\$ 1,247,259	\$ 35,321,548

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, 2013

Net change in fund balances - total governmental funds **\$ 709,332**

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	\$ 4,187,458	
Depreciation expense	<u>(3,104,227)</u>	1,083,231

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 position and offset against the proceeds from the sale of capital assets resulting in a gain on the sale of capital assets in the statement of activities.

Cost of capital assets disposed, less accumulated depreciation	(215,756)
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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:

Increase in net pension obligation - IMRF	\$ (41,527)	
Increase in other postemployment benefits	<u>(279,258)</u>	(320,785)

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	\$ 1,505,000	
Bond premium amortization	71,486	
Bond discount amortization	(3,484)	
Deferred refunding amortization	(24,125)	
Deferred charges amortization	<u>(47,651)</u>	1,501,226

Change in net position of governmental activities **\$ 2,757,248**

See accompanying notes to basic financial statements

WILMETTE PUBLIC SCHOOLS DISTRICT 39
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUND - ACTIVITY FUNDS
YEAR ENDED JUNE 30, 2013

Assets:

Cash	\$ 320,211
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Liabilities:

Due to organizations	\$ 320,211
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See accompanying notes to basic financial statements

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements

June 30, 2013

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 a 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 13)

b. Fund Accounting

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2013

GASB statement No. 54 refined the definitions of various governmental funds. These updated definitions are incorporated into the following fund descriptions.

Governmental funds include the following fund types:

General Fund – The General Fund, which consists of the legally mandated Educational Account, Operations and Maintenance Account, Tort Immunity Account and Working Cash Account, is used to account for the revenues and expenditures, which are used in providing education in the District. It is used to account for all financial resources except those required to be accounted for in other funds.

Educational Account – These accounts are used for most of the instructional and administrative aspects of the District’s operations, as well as providing school lunch services to students. The revenue consists primarily of local property taxes, state government aid and student registration fees and lunch receipts from the District food service program.

Operations and Maintenance Account – These accounts are used for expenditures made for operation, repair and maintenance of District property. Revenue consists primarily of local property taxes.

Tort Immunity Account – This fund accounts for revenues and expenditures related to tort immunity. Revenue is primarily derived from local property taxes.

Working Cash Account – This fund accounts for financial resources held by the District to be used as loans for working capital requirements to any other fund for which taxes are levied. The Working Cash Account was established and has been used to respond to fluctuations in cash flow resulting from unpredictable property tax collections. The earnings of the fund are allowed to be transferred to another fund under the Illinois Compiled Statutes. The principal of the fund, accumulated from bond issues, can be used as a source from which the District borrows money to support temporary deficiencies in other funds, or may be partially or fully transferred to the General Fund’s Educational Account, upon Board approval.

Special Revenue Funds – Special Revenue Funds account for the proceeds of specific revenue sources (other than Debt Service and Capital Projects Funds) that are legally restricted to expenditures for specified purposes. The District’s Special Revenue Funds are the Transportation and Municipal Retirement/Social Security Funds.

Transportation Fund – This fund accounts for the revenue and expenditures relating to student transportation, both to and from school. Revenue is derived primarily from local property taxes and state reimbursement grants.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2013

Municipal Retirement/Social Security Fund – This fund accounts for the District’s portion of the pension contributions to the Illinois Municipal Retirement Fund for noncertified employees and social security contributions for applicable certified and noncertified employees. Revenue to finance the contributions is derived primarily from local property taxes.

Debt Service Funds – Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds.

Debt Service Fund – The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. Since there are no legal requirements on bond indentures, which mandate that a separate fund be established for each bond issue, the District maintains one Debt Service Fund for all bond issues.

Capital Projects Funds – Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

Fire Prevention and Safety Fund – The Fire Prevention and Safety Fund accounts for financial resources to be used for acquisitions and construction projects, which qualify as Fire Prevention and Safety expenditures.

Fiduciary Fund Type

Agency Funds – The Agency Funds (Activity Funds) account for assets held by the District in trustee capacity or as an agent for student organizations. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations. In accordance with GASB 34, fiduciary funds are not included in the government-wide financial statements.

The District reports the following funds as major governmental funds:

General Fund
Debt Service Fund

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2013

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

The District has adopted a policy consistent with GASB Statement No. 34 to net the interfund receivables and payables for combined totals used to determine the major funds. Consequently, the interfund loan balances, which net to zero, are not utilized to determine major funds.

c. Basis of Presentation – Governmental Funds Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. 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 revenue. The District has no operating activities that would be considered "business activities".

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.

d. Net Position

Government-Wide Statements

Net position is classified and displayed in three components:

1. Net investment in capital assets. Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets and adjusted for any deferred inflows and outflows of resources attributable to capital assets and related debt.
2. Restricted. Consists of restricted assets reduced by liabilities and deferred inflows or resources related to those assets, with restriction constraints placed on the use either by external groups, such as creditors, grantors, contributors, or laws and regulations of other governments, or law through constitutional provisions or enabling legislation.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2013

3. Unrestricted. Net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

It is the District's policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

e. 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 position and changes in net position. The agency funds are custodial in nature (assets equal liabilities) and do 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.

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.

f. Deposits and Investments

State statues 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.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2013

Investments are stated at fair value, which is the market value as determined by published reports of such values.

g. Receivables and Payables

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

h. 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 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.

i. 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.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2013

j. Property Tax Revenues

The District must file its tax levy ordinance by the last Tuesday in December of each year. The District's 2012 levy ordinance was originally approved during the December 17, 2012 board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year. The 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 combined equalized assessed valuation.

The 2012 property tax levy is recognized as a receivable in fiscal year 2013. The District considers that the first installment of the 2012 levy is to be used to finance operations in fiscal 2013. This District has determined that the second installment of the 2012 levy is to be used to finance operations in fiscal year 2014 and has deferred the corresponding receivable.

k. 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.

l. Prepaid Items

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

m. 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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2013

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:

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

n. Compensated Absences

Employees receive fifteen sick days annually. The certified staff could accumulate up to 376 days and the non-certified staff could accumulate up to 300 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, 2013 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.

o. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the 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.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2013

p. 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.

q. Comparative Data

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

r. 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.

s. 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.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (continued)
June 30, 2013

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Excess of Expenditures over Budget

For the year ended June 30, 2013, expenditures exceeded budget in the following funds:

	Budget	Actual	Excess
Fire Prevention and Safety Fund	\$ 768,000	\$ 788,127	\$ 20,127

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.

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, 2013 the carrying amount of the District's deposits, which include both cash and certificates of deposit (excluding cash on hand of \$255), totaled \$36,490,631 and the bank balances totaled \$36,637,343. 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, 2013.

As of June 30, 2013, the District has the following investments and maturities:

Investment Type	Fair value	Maturities (in years) Less than 1	Percent of Portfolio	Applicable Agency Rating
Other Investments:				
Illinois School District Liquid Asset Fund	\$ 4,362,181	\$ 4,362,181	100%	AAAm
Total Investments	\$ 4,362,181	\$ 4,362,181	100%	

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2013

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.

Foreign Currency Risk. The District held no foreign investments during the fiscal year.

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 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, 2013

NOTE 4. INTERFUND TRANSFERS

The following interfund transfers were made during the year ended June 30, 2013:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>
General Fund - Operations and Maintenance Account	Debt Service Fund	\$ 800,700

Transfers to the Debt Service Fund were made to provide funds for debt service payments.

NOTE 5. CAPITAL ASSETS

A summary of changes in capital assets follows:

	Balance			Balance
	June 30, 2012	Additions	Deletions	June 30, 2013
Capital assets, not being depreciated:				
Land	\$ 610,765	\$ -	\$ -	\$ 610,765
Construction in progress	-	2,431,896	-	2,431,896
Total capital assets not being depreciated	610,765	2,431,896	-	3,042,661
Capital Assets, being depreciated:				
Land Improvements	2,729,739	122,780	-	2,852,519
Buildings	57,470,043	981,345	-	58,451,388
Equipment and Vehicles	14,043,574	651,437	888,951	13,806,060
Total capital assets being depreciated	74,243,356	1,755,562	888,951	75,109,967
Accumulated depreciation for:				
Land Improvements	833,622	142,180	-	975,802
Buildings	28,009,916	1,931,085	-	29,941,001
Equipment and Vehicles	10,208,360	1,030,962	673,195	10,566,127
Total accumulated depreciation	39,051,898	3,104,227	673,195	41,482,930
Total capital assets being depreciated, net	35,191,458	(1,348,665)	215,756	33,627,037
Total capital assets, net	\$ 35,802,223	\$ 1,083,231	\$ 215,756	\$ 36,669,698

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2013

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

Instructional /Services:

Regular Programs	\$	1,955,663
Special Programs		279,380

Supporting Services:

General Administration		558,761
Operations and maintenance		310,423
	<u>\$</u>	<u>3,104,227</u>

NOTE 6. LONG-TERM DEBT

During the year ended June 30, 2013, the following changes occurred in Long-Term Debt:

	Balance			Balance	Amount due
	July 01, 2012	Additions	Reductions	June 30, 2013	in one year
General Obligation Bonds	\$ 15,145,000	\$ -	\$ 780,000	\$ 14,365,000	\$ 825,000
Deferred Refunding	(282,359)	-	(24,125)	(258,234)	-
Unamortized Premium	875,588	-	71,486	804,102	-
Unamortized Discount	(27,869)	-	(3,484)	(24,385)	-
Total Bonds Payable	\$ 15,710,360	\$ -	\$ 823,877	\$ 14,886,483	\$ 825,000
Debt Certificates	9,770,000	-	725,000	9,045,000	755,000
Net Pension Obligation	-	-	-	-	-
IMRF	166,111	41,527	-	207,638	-
Other Post Employment Benefits	1,395,868	279,258	-	1,675,126	-
Total Long-Term Debt	\$ 27,042,339	\$ 320,785	\$ 1,548,877	\$ 25,814,247	\$ 1,580,000

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2013

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

Purpose	Interest Rates	Original Indebtedness	Face Amount	Carrying Amount
Series Refunding and Working Cash dated March 1, 2004 are due in annual installments through June 1, 2019	3.55%-3.75%	\$ 2,370,000	\$ 2,370,000	\$ 2,015,000
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	3,575,000
Series 2010 General Obligation Limited Tax School Bonds dated July 7, 2010 are due in annual installments through January 15, 2026	2.00%-4.13%	8,505,000	8,505,000	7,970,000
Series General Obligation Limited Tax Refunding dated June 14, 2012 are due in annual installments through December 15, 2016	1.00%	1,050,000	1,050,000	805,000
		Total	\$ 15,550,000	\$ 14,365,000

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

Fiscal Year Ending June 30,	Principal	Interest	Total
2014	\$ 825,000	\$ 514,368	\$ 1,339,368
2015	855,000	500,493	1,355,493
2016	890,000	485,918	1,375,918
2017	940,000	443,116	1,383,116
2018	1,010,000	408,381	1,418,381
2019-2023	6,030,000	1,422,876	7,452,876
2024-2026	3,815,000	287,040	4,102,040
	\$ 14,365,000	\$ 4,062,192	\$ 18,427,192

Defeased General Obligation Bonds Outstanding

In fiscal year 2012, the District issued \$1,050,000 in General Obligation Limited Tax Refunding Bonds to refund the Series Refunding Life Safety Bond dated February 21, 2001. Proceeds of \$1,032,281 were issued to purchase U.S. Government securities. These securities were deposited in

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (continued)
June 30, 2013

an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded debt. As a result this bond is considered defeased and the liability has been removed from the long-term debt. There was no economic gain recognized. At June 30, 2013, \$3,290,000 of bonds outstanding are considered defeased.

Debt Margin

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, 2013, the statutory debt limit for the District was \$112,865,482 providing a debt margin of \$91,651,197 after taking into account amounts available in the Debt Service Fund.

Certificates of Participation

In fiscal year 2012, the District issued \$7,515,000 in Debt Certificates with an average interest rate of 3.41%. The net proceeds of \$8,176,559 (after premium and payment of underwriting fees, insurance and other issuance costs) were deposited into the Operations and Maintenance Account and will be used for various projects. The debt certificates will be repaid from the Debt Service Fund.

In 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 issuance costs) were used for various projects for fire protection and safety. The debt certificates will be repaid from the Debt Service Fund.

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

Fiscal Year Ending June 30,	Principal	Interest	Total
2014	\$ 755,000	\$ 303,292	\$ 1,058,292
2015	1,325,000	272,692	1,597,692
2016	565,000	248,942	813,942
2017	550,000	232,217	782,217
2018	610,000	212,742	822,742
2019-2023	3,435,000	688,610	4,123,610
2024-2026	1,805,000	113,788	1,918,788
Total	\$ 9,045,000	\$ 2,072,283	\$ 11,117,283

NOTE 7. RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters. To protect from such risks, the District participates in the entity risk pools (see Notes 10 and 11). SSCIP for its general liability and property coverage and School Employees Loss Fund (SELF) for workers'

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (continued)
June 30, 2013

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 reductions 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 8. 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.

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, 2013, was 9.4 percent of creditable earnings. The same contribution rate applies to members whose first contributing service is on or after January 1, 2011, the effective date of the benefit changes contained in Public Act 96-0889. These contributions, which may be paid on behalf of 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, 2012 and 2011.

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, 2013 was \$27,101,012.

On-behalf contributions. The state of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2013, state of Illinois contributions were based on 28.05 percent of creditable earnings not paid from federal funds and the District recognized revenue and expenditures of \$7,575,495 in pension contributions that the state of Illinois paid directly to TRS. For the years ended June 30, 2012, and June 30, 2011, the State of Illinois contribution rates as percentages of creditable earnings not paid from federal funds were 24.91 percent (\$6,387,397) and 23.10 percent (\$5,891,646), respectively.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2013

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, 2013 were \$157,186. Contributions for the years ending June 30, 2012, and June 30, 2011, were \$149,144 and \$148,966, 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 special trust funds will be the same as the state contribution rate to TRS.

For the year ended June 30, 2013, the employer pension contribution was 28.05 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2012 and 2011 the employer contribution was 24.91 and 23.10 percent of salaries paid from federal and special trust funds, respectively. For the year ended June 30, 2013, salaries totaling \$93,899 were paid from federal and special trust funds that required employer contributions of \$26,339. For the years ended June 30, 2012 and June 30, 2011, required district contributions were \$18,094 and \$41,313, respectively.

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

The maximum employer contribution under the current program is 117.5 percent and applies when the member is age 55 at retirement.

For the years ended June 30, 2013, June 30, 2012 and June 30, 2011 the District made no payments to TRS for employer contributions under the ERO program.

Salary increases over 6 percent and excess sick leave.

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, 2013, the District paid \$8,195 to TRS for employer contributions due on salary increases in excess of 6 percent. For the years ended June 30, 2012 and 2011, the District paid \$16,486 and \$48,391 in employer contributions due on salary increases in excess of 6 percent, respectively.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2013

If an employer grants sick leave days in excess of the normal annual allotment and those days are used as TRS service credit, the District makes a contribution to TRS. The contribution is based on the number of excess sick leave days used as service credit, the highest salary used to calculate final average salary, and the TRS total normal cost rate (17.63 percent of salary during the year ended June 30, 2013).

For the year ended June 30, 2013, the District paid \$5,233 to TRS for sick leave days granted in the excess of the normal annual allotment. For the years ended June 30, 2012 and 2011, the District paid \$5,233 and \$0 in employer contributions granted for sick leave days, respectively.

Further information on TRS

TRS financial information, an explanation of TRS' benefits, and descriptions of member, employer and state funding requirements can be found in the TRS *Comprehensive Annual Financial Report* for the year ended June 30, 2012. The report for the year ended June 30, 2013, is expected to be available in late 2013. The reports may be obtained by writing to the Teachers' Retirement System of the State of Illinois, P.O. Box 19253, 2815 West Washington Street, Springfield, IL 62794-9253. The most current report is also available on the TRS Web site at <http://trs.illinois.gov>.

Teacher Health Insurance Security (THIS)

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

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

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

On Behalf Contributions to THIS Fund. The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 0.92 percent of pay during the year ended June 30, 2013. State of Illinois contributions were \$249,329, and the district recognized

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2013

revenue and expenditures of this amount during the year.

State contributions intended to match active member contributions during the years ended June 30, 2012 and June 30, 2011 were 0.88 percent of pay, both years. State contributions on behalf of district employees were \$226,288, and \$226,017 respectively.

Employer contributions to THIS Fund. The District also makes contributions to THIS Fund. The District THIS Fund contribution was 0.69 percent during the year ended June 30, 2013 and , and 0.66 percent during the years ended June 30, 2012 and June 30, 2011. For the year ended June 30, 2013, the District paid \$186,997 to the THIS Fund. For the years ended June 30, 2012 and June 30, 2011, the District paid \$169,716 and \$169,513 to the THIS Fund, 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 found on the website of the Illinois Auditor General: <http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp>. The 2013 report is listed under "Central Management Services." Prior reports are available under "Healthcare and Family Services."

Illinois Municipal Retirement Fund

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

Funding Policy. As set by statute, the District's Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District contribution rate for calendar year 2012 used by the employer was 10.37 percent of annual covered payroll. The District annual required contribution rate for calendar year 2012 was 10.91 percent. The District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2013

Annual Pension Cost. For calendar year ending December 31, 2012, the District's actual contributions for pension cost for the Regular plan were \$648,477. Its required contribution for calendar year 2012 was \$682,245.

Three-Year Trend Information for the Regular Plan

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2012	\$ 682,245	95%	\$ 207,638
12/31/2011	675,495	89%	166,111
12/31/2010	643,856	86%	130,812

The required contribution for 2012 was determined as part of the December 31, 2010, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2010, 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% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of the District's Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The District Regular plan's unfunded actuarial accrued liability at December 31, 2010 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded Status and Funding Progress. As of December 31, 2012, the most recent actuarial valuation date, the Regular plan was 77.02 percent funded. The actuarial accrued liability for benefits was \$12,244,478 and the actuarial value of assets was \$9,430,119, resulting in an underfunded actuarial accrued liability (UAAL) of \$2,814,359. The covered payroll for calendar year 2012 (annual payroll of active employees covered by the plan) was \$6,253,390 and the ratio of the UAAL to the covered payroll was 45 percent.

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

NOTE 9. OTHER POST EMPLOYMENT BENEFITS

Plan Description

The medical and dental benefit plans for the District are single-employer defined benefit healthcare reimbursement plans administered by the District. The District has the authority to establish and

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2013

amend benefit provisions of the medical and dental benefit plans. The level of reimbursement is negotiated by the District and the applicable union groups.

Monthly Retiree Contributions

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

Employer Contributions

The medical reimbursement 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:

	<u>FY 2013</u>	<u>FY 2012</u>
Annual Required Contribution	\$ 714,744	\$ 757,304
Interest on net OPEB obligations	34,897	25,734
Adjustment to annual required contribution	<u>(65,065)</u>	<u>(47,980)</u>
Annual OPEB cost (expense)	684,576	735,058
Estimated Contributions made by the District	<u>405,318</u>	<u>368,540</u>
Increase in net OPEB obligation	279,258	366,518
Net OPEB obligation - Beginning of Year	<u>1,395,868</u>	<u>1,029,350</u>
Net OPEB obligation - End of Year	<u>\$ 1,675,126</u>	<u>\$ 1,395,868</u>

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 2013</u>	<u>FY 2012</u>
Annual OPEB cost (expense)	\$ 684,516	\$ 735,058
Estimated contributions made by District	405,318	368,540
Percentage of Annual OPEB Cost Contributed	59.2%	50.1%
Net OPEB Obligation as of December 31,	\$ 1,675,126	\$ 1,395,868

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (continued)
June 30, 2013

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 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, 2012
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 (gender distinct)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (continued)
June 30, 2013

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

NOTE 10. FUND BALANCE REPORTING

According to Government Accounting Standards, fund balances are to be classified into five major classifications: Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance.

a. Nonspendable Fund Balance

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts.

b. Restricted Fund Balance

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Things such as restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special Revenue Funds are by definition restricted for those specified purposes. The District has several revenue sources received within different funds that also fall into these categories –

1. Special Education

Revenues and the related expenditures of this restricted tax levy are accounted for in the Educational Account. Expenditures exceeded revenue for this purpose, resulting in no restricted fund balance.

2. Tort Immunity

Expenditures and the related revenues are accounted for in the Tort Immunity Account. Revenues exceeded expenditures for this purpose; however, due to a nonspendable fund balance of \$91,444, the Tort Immunity Fund had an unassigned fund balance of \$325,287 at June 30, 2013.

3. State and Federal Grants

Proceeds from state and federal grants and the related expenditures have been included in the General Fund and various Special Revenue Funds. At June 30, 2013, expenditures exceeded revenue from state and federal grants, resulting in no restricted balances.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2013

4. Social Security

Expenditures and the related revenues of this restricted tax levy are accounted for in the Municipal Retirement/Social Security Fund. Revenues exceeded expenditures for this purpose, resulting in a restricted fund balance of \$360,056. The remaining balance is restricted for Municipal Retirement purposes.

5. Capital Projects Funds

Expenditures and the related revenues are accounted for in the Fire Prevention and Safety Fund. All equity within this fund is restricted for the associated capital expenditures within the fund.

c. Committed Fund Balance

The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority (the School Board). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

No committed balances existed as of June 30, 2013.

d. Assigned Fund Balance

The assigned fund balance classification refers to the amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

No assigned balances existed as of June 30, 2013.

e. Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amounts in the General Operating Funds for amounts that have not been restricted, committed, or assigned to specific purposes within the General Funds.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (continued)
June 30, 2013

f. Reconciliation of Fund Balance Reporting

Account/Fund	Non-Spendable	Restricted	Committed	Assigned	Unassigned
Educational	\$ -	\$ -	\$ -	\$ -	\$ 24,248,787
Operations & Maintenance	-	-	-	-	6,707,484
Working Cash	-	-	-	-	505,572
Tort Immunity	91,444	-	-	-	325,287
Debt Service	-	2,195,715	-	-	-
Transportation	-	341,036	-	-	-
Municipal Retirement	-	720,111	-	-	-
Fire Prevention and Safety	-	186,112	-	-	-
	<u>\$ 91,444</u>	<u>\$ 3,442,974</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,787,130</u>

g. Expenditures of Fund Balance

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

NOTE 11. 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 per reported during the last three years.

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (concluded)
June 30, 2013

NOTE 12. 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 13. 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 14. 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 15. 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. The District has approximately \$4,900,000 in commitments related to future facility projects for FY13 – FY15.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Schedule of Funding Progress (unaudited)
Illinois Municipal Retirement Fund
June 30, 2013

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b)-(a)]/(c)
12/31/2012	\$ 9,430,119	\$ 12,244,478	\$ 2,814,359	77.02%	\$ 6,253,390	45.01%
12/31/2011	8,599,557	11,654,148	3,054,591	73.79%	6,354,606	48.07%
12/31/2010	8,258,040	11,055,178	2,797,138	74.70%	6,464,422	43.27%

On a market value basis, the actuarial value of assets as of December 31, 2012 is \$9,929,580. On a market basis, the funded ratio would be 81.09%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with Wilmette Public Schools District 39. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Schedule of Funding Progress (unaudited)
 Other Post Employment Benefits
 June 30, 2013

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) –Entry Age (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a)/(b)	
7/1/2012	\$	-	\$ 7,997,641	\$ 7,997,641	0.00%
7/1/2011		-	7,886,933	7,886,933	0.00%
7/1/2010		-	7,332,418	7,332,418	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, 2013

	General Fund		
	Final Budget	Actual	Variance Over/Under
REVENUES			
Local sources	\$ 46,284,959	\$ 46,026,402	\$ (258,557)
State sources	10,113,431	11,405,326	1,291,895
Federal sources	1,155,164	1,340,775	185,611
 Total Revenues	 <u>57,553,554</u>	 <u>58,772,503</u>	 <u>1,218,949</u>
 EXPENDITURES			
Current operating:			
Instruction	35,911,265	35,487,171	424,094
Support services	22,559,406	19,781,073	2,778,333
Community services	95,630	100,500	(4,870)
Non-programmed charges	1,436,612	1,375,734	60,878
 Total Expenditures	 <u>60,002,913</u>	 <u>56,744,478</u>	 <u>3,258,435</u>
 Excess (deficiency) of revenues over expenditures	 <u>(2,449,359)</u>	 <u>2,028,025</u>	 <u>4,477,384</u>
 OTHER FINANCING SOURCES (USES)			
Transfers out	(800,700)	(800,700)	-
 Total other financing sources (uses)	 <u>(800,700)</u>	 <u>(800,700)</u>	 <u>-</u>
 Net change in fund balance	 <u>\$ (3,250,059)</u>	 1,227,325	 <u>\$ 4,477,384</u>
 Fund balances at beginning of year		 <u>30,651,249</u>	
 FUND BALANCES AT END OF YEAR		 <u>\$ 31,878,574</u>	

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Required Supplementary Information
June 30, 2013

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 27, 2012.
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, 2013

<u>ASSETS</u>	<u>Educational</u>	<u>Operations and Maintenance</u>	<u>Working Cash</u>	<u>Tort Immunity</u>	<u>Total General</u>
Cash and investments	\$28,902,577	\$ 6,840,361	\$ 505,506	\$ 325,245	\$36,573,689
Receivables:					
Property taxes	18,381,139	2,281,250	51,810	527,811	21,242,010
Due from other governments	180,671	-	-	-	180,671
Other	3,720	881	66	42	4,709
Prepaid items	-	-	-	91,444	91,444
TOTAL ASSETS	<u>\$47,468,107</u>	<u>\$ 9,122,492</u>	<u>\$ 557,382</u>	<u>\$ 944,542</u>	<u>\$58,092,523</u>
 <u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ 99,209	\$ 133,758	\$ -	\$ -	\$ 232,967
Accrued salaries and related expenditures	4,169,896	-	-	-	4,169,896
Deferred revenue	18,950,215	2,281,250	51,810	527,811	21,811,086
Total Liabilities	<u>23,219,320</u>	<u>2,415,008</u>	<u>51,810</u>	<u>527,811</u>	<u>26,213,949</u>
Fund balances:					
Nonspendable	-	-	-	91,444	91,444
Unassigned	24,248,787	6,707,484	505,572	325,287	31,787,130
Total Fund Balances	<u>24,248,787</u>	<u>6,707,484</u>	<u>505,572</u>	<u>416,731</u>	<u>31,878,574</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$47,468,107</u>	<u>\$ 9,122,492</u>	<u>\$ 557,382</u>	<u>\$ 944,542</u>	<u>\$58,092,523</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES BY ACCOUNT
GENERAL FUND
YEAR ENDED JUNE 30, 2013

	Educational	Operations and Maintenance	Working Cash	Tort Immunity	Total General
REVENUES					
Local sources	\$40,275,930	\$ 4,593,300	\$ 99,681	\$ 1,057,491	\$46,026,402
State sources	11,355,326	50,000	-	-	11,405,326
Federal sources	1,340,775	-	-	-	1,340,775
Total Revenues	52,972,031	4,643,300	99,681	1,057,491	58,772,503
EXPENDITURES					
Current operating:					
Instruction	35,487,171	-	-	-	35,487,171
Support services	12,222,945	6,905,683	-	652,445	19,781,073
Community services	100,500	-	-	-	100,500
Non-programmed charges	1,375,734	-	-	-	1,375,734
Total Expenditures	49,186,350	6,905,683	-	652,445	56,744,478
Excess (deficiency) of revenues over expenditures	3,785,681	(2,262,383)	99,681	405,046	2,028,025
OTHER FINANCING SOURCES (USES)					
Transfers out	-	(800,700)	-	-	(800,700)
Total other financing sources (uses)	-	(800,700)	-	-	(800,700)
Net change in fund balance	3,785,681	(3,063,083)	99,681	405,046	1,227,325
Fund balances at beginning of year	20,463,106	9,770,567	405,891	11,685	30,651,249
FUND BALANCES AT END OF YEAR	\$24,248,787	\$ 6,707,484	\$ 505,572	\$ 416,731	\$31,878,574

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2013 WITH COMPARATIVE ACTUAL TOTALS FOR 2012

	2013			2012 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources:				
General levy	\$ 36,734,420	\$ 36,474,639	\$ (259,781)	\$ 39,388,537
Special education levy	260,523	258,832	(1,691)	277,372
Corporate personal property replacement taxes	294,611	440,936	146,325	415,632
Tuition	475,000	556,632	81,632	622,900
Investment income	4,500	38,815	34,315	9,197
Food services	1,195,000	1,277,669	82,669	1,277,092
Pupil activities	915,000	1,011,737	96,737	984,200
Contributions and donations from private sources	3,000	-	(3,000)	2,552
Other	205,493	216,670	11,177	206,854
Total local sources	40,087,547	40,275,930	188,383	43,184,336
State sources:				
Unrestricted:				
General state aid	1,042,685	1,142,407	99,722	1,251,909
Restricted:				
Special education - private facility tuition	176,965	377,992	201,027	237,771
Special education - extraordinary	525,279	533,455	8,176	459,493
Special education - personnel	914,202	1,453,763	539,561	1,243,385
Special education - summer school	3,251	1,850	(1,401)	1,565
Bilingual education - downstate - TPI	19,139	15,559	(3,580)	21,439
Other restricted revenue from state sources	2,783	5,476	2,693	30,094
On behalf payment to TRS from the state	7,429,127	7,824,824	395,697	6,613,685
Total state sources	10,113,431	11,355,326	1,241,895	9,859,341
Federal sources:				
Restricted:				
Special milk program	45,000	37,168	(7,832)	40,970
Title I - low income	92,052	123,337	31,285	108,442
Title IV - safe & drug free schools - formula	-	-	-	(77)
Federal - special education - preschool	34,790	34,790	-	36,691
Federal - special education - IDEA	793,648	805,542	11,894	822,747
Federal - special education - IDEA - R&B	80,000	207,217	127,217	129,332
ARRA - Education jobs fund	-	-	-	1,793
Title III - English language acquisition	13,050	10,208	(2,842)	20,531
Title II - teacher quality	51,624	51,624	-	50,776
Medicaid - administrative outreach	35,000	42,684	7,684	59,637
Medicaid - fee for service	10,000	28,205	18,205	26,282
Total federal sources	1,155,164	1,340,775	185,611	1,297,124
Total revenues	\$ 51,356,142	\$ 52,972,031	\$ 1,615,889	\$ 54,340,801

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2013 WITH COMPARATIVE ACTUAL TOTALS FOR 2012

	2013			2012 Actual
	Final Budget	Actual	Variance Over/Under	
EXPENDITURES				
Current operating:				
Instruction:				
Regular programs:				
Salaries	\$ 17,230,644	\$ 16,982,662	\$ 247,982	\$ 15,944,926
Employee benefits	2,068,082	1,899,594	168,488	1,741,351
On-behalf payments to TRS from the state	7,429,127	7,824,824	(395,697)	6,613,685
Purchased services	31,278	26,690	4,588	30,623
Supplies and materials	404,965	345,573	59,392	343,114
Capital outlay	126,430	10,183	116,247	37,389
Non-capitalized equipment	-	-	-	3,772
Total	27,290,526	27,089,526	201,000	24,714,860
Pre kindergarten programs:				
Purchased services	19,000	19,653	(653)	17,724
Supplies and materials	68,906	74,707	(5,801)	65,204
Total	87,906	94,360	(6,454)	82,928
Special education programs:				
Salaries	5,438,845	5,438,379	466	5,458,762
Employee benefits	874,962	804,370	70,592	860,898
Purchased services	43,447	30,527	12,920	24,240
Supplies and materials	63,733	52,907	10,826	86,780
Capital outlay	12,456	-	12,456	11,895
Other objects	350	400	(50)	125
Non-capitalized equipment	-	-	-	1,704
Total	6,433,793	6,326,583	107,210	6,444,404
Remedial and supplemental programs:				
Salaries	465,911	454,198	11,713	372,225
Employee benefits	61,716	59,403	2,313	37,937
Supplies and materials	9,153	17,959	(8,806)	-
Total	536,780	531,560	5,220	410,162
Interscholastic programs:				
Salaries	78,000	70,876	7,124	73,397
Employee benefits	900	844	56	881
Purchased services	7,500	7,410	90	8,160
Supplies and materials	12,000	12,013	(13)	12,768
Total	\$ 98,400	\$ 91,143	\$ 7,257	\$ 95,206

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2013 WITH COMPARATIVE ACTUAL TOTALS FOR 2012

	2013			2012 Actual
	Final Budget	Actual	Variance Over/Under	
Summer school:				
Salaries	\$ 341,000	\$ 279,278	\$ 61,722	\$ 273,309
Employee benefits	4,100	2,675	1,425	6,530
Purchased services	750	909	(159)	652
Supplies and materials	30,000	23,388	6,612	28,205
Other objects	127,000	108,824	18,176	103,668
Total	<u>502,850</u>	<u>415,074</u>	<u>87,776</u>	<u>412,364</u>
Differentiation specialists:				
Salaries	579,393	575,273	4,120	586,215
Employee benefits	73,278	70,472	2,806	65,451
Total	<u>652,671</u>	<u>645,745</u>	<u>6,926</u>	<u>651,666</u>
Bilingual:				
Salaries	273,434	260,220	13,214	251,452
Employee benefits	29,479	27,759	1,720	26,976
Purchased services	2,547	1,789	758	1,202
Supplies and materials	2,879	3,412	(533)	5,747
Total	<u>308,339</u>	<u>293,180</u>	<u>15,159</u>	<u>285,377</u>
Total instruction	<u>35,911,265</u>	<u>35,487,171</u>	<u>424,094</u>	<u>33,096,967</u>
Support services:				
Pupils:				
Attendance and social work:				
Salaries	876,699	849,538	27,161	834,712
Employee benefits	97,477	95,837	1,640	87,241
Purchased services	22,486	25,813	(3,327)	1,397
Supplies and materials	2,179	1,395	784	1,418
Total	<u>\$ 998,841</u>	<u>\$ 972,583</u>	<u>\$ 26,258</u>	<u>\$ 924,768</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, 2013 WITH COMPARATIVE ACTUAL TOTALS FOR 2012

	2013			2012 Actual
	Final Budget	Actual	Variance Over/Under	
Health services:				
Salaries	\$ 217,579	\$ 204,500	\$ 13,079	\$ 190,864
Employee benefits	58,427	45,774	12,653	56,776
Purchased services	2,474	7,855	(5,381)	1,836
Supplies and materials	7,180	5,284	1,896	5,478
Other objects	300	-	300	182
Non-capitalized equipment	-	-	-	1,129
Total	285,960	263,413	22,547	256,265
Psychological services:				
Salaries	393,873	387,020	6,853	409,650
Employee benefits	72,742	26,362	46,380	51,591
Purchased services	2,614	164	2,450	1,063
Supplies and materials	4,000	2,734	1,266	2,833
Capital outlay	800	-	800	-
Total	474,029	416,280	57,749	465,137
Speech pathology and audiology services:				
Salaries	621,280	621,280	-	587,278
Employee benefits	59,405	78,500	(19,095)	58,558
Purchased services	2,288	544	1,744	2,176
Supplies and materials	4,099	3,092	1,007	2,785
Total	687,072	703,416	(16,344)	650,797
Other support services:				
Salaries	504,593	460,144	44,449	336,632
Employee benefits	38,121	32,907	5,214	21,169
Purchased services	6,200	85,200	(79,000)	2,241
Supplies and materials	5,300	2,473	2,827	3,001
Other objects	300	-	300	42
Total	554,514	580,724	(26,210)	363,085
Total pupils	\$ 3,000,416	\$ 2,936,416	\$ 64,000	\$ 2,660,052

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2013 WITH COMPARATIVE ACTUAL TOTALS FOR 2012

	2013			2012 Actual
	Final Budget	Actual	Variance Over/Under	
Instructional staff:				
Improvement of instruction services:				
Salaries	\$ 245,379	\$ 248,635	\$ (3,256)	\$ 212,259
Employee benefits	35,289	23,894	11,395	31,407
Purchased services	12,684	22,224	(9,540)	54,922
Supplies and materials	-	-	-	2,281
Total	293,352	294,753	(1,401)	300,869
Educational media services:				
Salaries	754,707	758,392	(3,685)	705,476
Employee benefits	110,389	118,107	(7,718)	106,748
Purchased services	42,875	29,324	13,551	42,410
Supplies and materials	71,818	51,617	20,201	59,969
Capital outlay	2,000	-	2,000	-
Other objects	1,000	-	1,000	700
Total	982,789	957,440	25,349	915,303
Total instructional staff	1,276,141	1,252,193	23,948	1,216,172
General administration:				
Board of education:				
Salaries	51,893	51,893	-	57,597
Employee benefits	991	1,022	(31)	1,572
Purchased services	119,177	132,199	(13,022)	108,347
Supplies and materials	10,000	15,368	(5,368)	11,872
Other objects	10,000	4,685	5,315	11,093
Total	192,061	205,167	(13,106)	190,481
Executive administration:				
Salaries	277,797	277,722	75	266,813
Employee benefits	65,293	64,566	727	60,566
Purchased services	6,200	3,550	2,650	7,371
Supplies and materials	900	1,180	(280)	1,223
Capital outlay	1,000	257	743	-
Other objects	10,000	12,977	(2,977)	3,059
Non-capitalized equipment	-	743	(743)	694
Total	\$ 361,190	\$ 360,995	\$ 195	\$ 339,726

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2013 WITH COMPARATIVE ACTUAL TOTALS FOR 2012

	2013			2012 Actual
	Final Budget	Actual	Variance Over/Under	
Special area administration:				
Salaries	\$ 273,445	\$ 273,207	\$ 238	\$ 266,475
Employee benefits	59,283	62,448	(3,165)	55,636
Purchased services	6,190	2,956	3,234	3,815
Supplies and materials	2,284	350	1,934	1,395
Capital outlay	1,152	-	1,152	1,152
Other objects	750	645	105	280
Total	343,104	339,606	3,498	328,753
Total general administration	896,355	905,768	(9,413)	858,960
School administration:				
Office of the principal:				
Salaries	1,331,845	1,320,175	11,670	1,288,649
Employee benefits	299,182	305,407	(6,225)	260,879
Purchased services	18,388	10,652	7,736	14,147
Supplies and materials	90,943	85,079	5,864	82,186
Capital outlay	11,000	-	11,000	2,745
Other objects	6,000	348	5,652	1,116
Non-capitalized equipment	-	2,213	(2,213)	-
Total	1,757,358	1,723,874	33,484	1,649,722
Total school administration	1,757,358	1,723,874	33,484	1,649,722
Business:				
Direction of business support services:				
Salaries	89,353	99,186	(9,833)	103,429
Employee benefits	25,330	22,689	2,641	22,020
Purchased services	6,700	2,902	3,798	4,140
Supplies and materials	5,600	5,348	252	4,215
Other	3,500	1,320	2,180	814
Total	\$ 130,483	\$ 131,445	\$ (962)	\$ 134,618

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2013 WITH COMPARATIVE ACTUAL TOTALS FOR 2012

	2013			2012 Actual
	Final Budget	Actual	Variance Over/Under	
Fiscal services:				
Salaries	\$ 184,002	\$ 179,620	\$ 4,382	\$ 149,689
Employee benefits	22,791	25,023	(2,232)	19,519
Purchased services	24,500	18,834	5,666	10,621
Capital outlay	4,000	919	3,081	-
Other objects	50,000	32,029	17,971	32,640
Non-capitalized equipment	-	2,867	(2,867)	1,382
Total	285,293	259,292	26,001	213,851
Food services:				
Salaries	714,109	721,520	(7,411)	726,556
Employee benefits	94,116	94,550	(434)	99,334
Purchased services	16,050	28,995	(12,945)	10,340
Supplies and materials	899,300	912,763	(13,463)	864,361
Capital outlay	10,000	-	10,000	7,147
Non-capitalized equipment	-	5,049	(5,049)	1,899
Total	1,733,575	1,762,877	(29,302)	1,709,637
Total business	2,149,351	2,153,614	(4,263)	2,058,106
Central:				
Planning, research, development and evaluation services:				
Salaries	385,656	374,808	10,848	362,423
Employee benefits	54,672	53,084	1,588	53,957
Purchased services	20,540	35,222	(14,682)	35,903
Supplies and materials	575,370	442,779	132,591	475,529
Capital outlay	5,000	-	5,000	-
Other objects	8,000	3,000	5,000	1,200
Total	\$ 1,049,238	\$ 908,893	140,345	\$ 929,012

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2013 WITH COMPARATIVE ACTUAL TOTALS FOR 2012

	2013			2012 Actual
	Final Budget	Actual	Variance Over/Under	
Information services:				
Purchased services	\$ 205,000	\$ 199,571	\$ 5,429	\$ 166,287
Supplies and materials	8,500	6,493	2,007	8,067
Total	213,500	206,064	7,436	174,354
Staff services:				
Salaries	290,676	294,865	(4,189)	299,917
Employee benefits	51,365	51,014	351	47,156
Purchased services	44,492	27,644	16,848	36,636
Supplies and materials	3,400	2,247	1,153	3,057
Capital outlay	-	3,044	(3,044)	-
Other objects	3,000	1,477	1,523	1,172
Total	392,933	380,291	12,642	387,938
Data processing services:				
Salaries	409,151	394,492	14,659	389,723
Employee benefits	63,046	52,167	10,879	49,552
Purchased services	170,959	149,022	21,937	190,744
Supplies and materials	151,595	107,315	44,280	143,638
Capital outlay	630,626	614,563	16,063	563,144
Total	1,425,377	1,317,559	107,818	1,336,801
Total central	3,081,048	2,812,807	268,241	2,828,105
Other support services:				
Employee benefits	539,897	404,668	135,229	407,810
Supplies and materials	35,000	9,508	25,492	20,138
Capital outlay	25,000	24,097	903	6,290
Total	599,897	438,273	161,624	434,238
Total support services	12,760,566	12,222,945	537,621	11,705,355
Community services:				
Salaries	72,605	75,247	(2,642)	68,294
Employee benefits	263	130	133	146
Purchased services	5,962	6,507	(545)	6,830
Supplies and materials	16,800	18,616	(1,816)	14,949
Total community services	\$ 95,630	\$ 100,500	\$ (4,870)	\$ 90,219

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2013 WITH COMPARATIVE ACTUAL TOTALS FOR 2012

	2013			2012 Actual
	Final Budget	Actual	Variance Over/Under	
Payments to other districts and governmental units:				
Payments for special education programs:				
Purchased services	\$ 155,493	\$ 155,493	\$ -	\$ 152,702
Other objects	4,119	2,014	2,105	6,130
Total	<u>159,612</u>	<u>157,507</u>	<u>2,105</u>	<u>158,832</u>
Payments for regular programs-tuition:				
Other objects	77,000	60,767	16,233	46,897
Total	<u>77,000</u>	<u>60,767</u>	<u>16,233</u>	<u>46,897</u>
Payments for special education programs-tuition:				
Other objects	1,200,000	1,157,460	42,540	1,019,965
Total	<u>1,200,000</u>	<u>1,157,460</u>	<u>42,540</u>	<u>1,019,965</u>
Total payments to other districts and governmental units	<u>1,436,612</u>	<u>1,375,734</u>	<u>60,878</u>	<u>1,225,694</u>
Total expenditures	<u>50,204,073</u>	<u>49,186,350</u>	<u>1,017,723</u>	<u>46,118,235</u>
Net change in fund balance	<u>\$ 1,152,069</u>	3,785,681	<u>\$ 2,633,612</u>	8,222,566
Fund balance at beginning of year		<u>20,463,106</u>		<u>12,240,540</u>
FUND BALANCE AT END OF YEAR		<u>\$ 24,248,787</u>		<u>\$ 20,463,106</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, 2013 WITH COMPARATIVE ACTUAL TOTALS FOR 2012

	2013			2012 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources:				
General levy	\$ 4,831,808	\$ 4,549,024	\$ (282,784)	\$ 4,284,150
Investment income	1,000	10,440	9,440	1,306
Rentals	30,000	33,345	3,345	33,942
Other	10,000	491	(9,509)	36,713
Total local sources	<u>4,872,808</u>	<u>4,593,300</u>	<u>(279,508)</u>	<u>4,356,111</u>
State sources:				
Unrestricted:				
Other restricted revenue from state sources	-	50,000	50,000	-
Total state sources	<u>-</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Total revenues	<u>4,872,808</u>	<u>4,643,300</u>	<u>(229,508)</u>	<u>4,356,111</u>
EXPENDITURES				
Current operating:				
Support services:				
Business:				
Facilities acquisition and construction service:				
Purchased services	685,000	548,032	136,968	396,891
Capital outlay	4,415,000	3,068,827	1,346,173	490,327
Non-capitalized equipment	-	20,298	(20,298)	-
Total	<u>5,100,000</u>	<u>3,637,157</u>	<u>1,462,843</u>	<u>887,218</u>
Operation and maintenance of plant services:				
Salaries	1,619,389	1,571,278	48,111	1,471,345
Employee benefits	283,164	269,424	13,740	246,116
Purchased services	899,810	589,219	310,591	729,137
Supplies and materials	975,100	813,646	161,454	776,389
Capital outlay	80,000	24,959	55,041	-
Total	<u>3,857,463</u>	<u>3,268,526</u>	<u>588,937</u>	<u>3,222,987</u>
Total support services	<u>8,957,463</u>	<u>6,905,683</u>	<u>2,051,780</u>	<u>4,110,205</u>
Total expenditures	<u>8,957,463</u>	<u>6,905,683</u>	<u>2,051,780</u>	<u>4,110,205</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (4,084,655)</u>	<u>\$ (2,262,383)</u>	<u>\$ 1,822,272</u>	<u>\$ 245,906</u>

(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, 2013 WITH COMPARATIVE ACTUAL TOTALS FOR 2012

	2013			2012 Actual
	Final Budget	Actual	Variance Over/Under	
OTHER FINANCING SOURCES (USES)				
Principal on bonds sold	\$ -	\$ -	\$ -	\$ 7,500,000
Transfers out	(800,700)	(800,700)	-	(412,500)
Total other financing sources (uses)	(800,700)	(800,700)	-	7,087,500
Net change in fund balance	<u>\$ (4,885,355)</u>	(3,063,083)	<u>\$ 1,822,272</u>	7,333,406
Fund balance at beginning of year		<u>9,770,567</u>		<u>2,437,161</u>
FUND BALANCE AT END OF YEAR		<u>\$ 6,707,484</u>		<u>\$ 9,770,567</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
WORKING CASH ACCOUNT
YEAR ENDED JUNE 30, 2013 WITH COMPARATIVE ACTUAL TOTALS FOR 2012

	2013			2012 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources:				
General levy	\$ 102,457	\$ 99,084	\$ (3,373)	\$ 99,836
Investment income	50	597	547	129
Total local sources	<u>102,507</u>	<u>99,681</u>	<u>(2,826)</u>	<u>99,965</u>
Total revenues	<u>102,507</u>	<u>99,681</u>	<u>(2,826)</u>	<u>99,965</u>
Net change in fund balance	<u>\$ 102,507</u>	99,681	<u>\$ (2,826)</u>	99,965
Fund balance at beginning of year		<u>405,891</u>		<u>305,926</u>
FUND BALANCE AT END OF YEAR		<u>\$ 505,572</u>		<u>\$ 405,891</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TORT IMMUNITY ACCOUNT
YEAR ENDED JUNE 30, 2013 WITH COMPARATIVE ACTUAL TOTALS FOR 2012

	2013			2012 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources:				
Tort immunity levy	\$ 1,222,072	\$ 1,057,232	\$ (164,840)	\$ 905,221
Investment income	25	259	234	59
Total local sources	<u>1,222,097</u>	<u>1,057,491</u>	<u>(164,606)</u>	<u>905,280</u>
Total revenues	<u>1,222,097</u>	<u>1,057,491</u>	<u>(164,606)</u>	<u>905,280</u>
EXPENDITURES				
Current operating:				
Support services:				
Insurance payments:				
Purchased services	<u>567,407</u>	<u>417,927</u>	<u>149,480</u>	<u>581,566</u>
Total	<u>567,407</u>	<u>417,927</u>	<u>149,480</u>	<u>581,566</u>
Educational, inspectional, supervisory services related to loss prevention or reduction:				
Salaries	185,129	189,062	(3,933)	180,433
Employee benefits	<u>37,341</u>	<u>38,057</u>	<u>(716)</u>	<u>37,332</u>
Total	<u>222,470</u>	<u>227,119</u>	<u>(4,649)</u>	<u>217,765</u>
Legal services:				
Purchased services	<u>51,500</u>	<u>7,399</u>	<u>44,101</u>	<u>33,789</u>
Total	<u>51,500</u>	<u>7,399</u>	<u>44,101</u>	<u>33,789</u>
Total support services	<u>841,377</u>	<u>652,445</u>	<u>188,932</u>	<u>833,120</u>
Total expenditures	<u>841,377</u>	<u>652,445</u>	<u>188,932</u>	<u>833,120</u>
Net change in fund balance	<u>\$ 380,720</u>	405,046	<u>\$ 24,326</u>	72,160
Fund balance (deficit) at beginning of year		<u>11,685</u>		<u>(60,475)</u>
FUND BALANCE AT END OF YEAR		<u>\$ 416,731</u>		<u>\$ 11,685</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, 2013 WITH COMPARATIVE ACTUAL TOTALS FOR 2012

	2013			2012 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources:				
General levy	\$ 1,400,084	\$ 1,371,918	\$ (28,166)	\$ 1,399,298
Investment income	750	3,105	2,355	681
Total local sources	<u>1,400,834</u>	<u>1,375,023</u>	<u>(25,811)</u>	<u>1,399,979</u>
Total revenues	<u>1,400,834</u>	<u>1,375,023</u>	<u>(25,811)</u>	<u>1,399,979</u>
EXPENDITURES				
Debt service:				
Interest on long term debt	866,429	861,229	5,200	699,032
Principal payments on long term debt	1,505,000	1,505,000	-	1,405,000
Other expenses	-	4,270	(4,270)	126,458
Total	<u>2,371,429</u>	<u>2,370,499</u>	<u>930</u>	<u>2,230,490</u>
Total expenditures	<u>2,371,429</u>	<u>2,370,499</u>	<u>930</u>	<u>2,230,490</u>
Excess (deficiency) of revenues over expenditures	<u>(970,595)</u>	<u>(995,476)</u>	<u>(24,881)</u>	<u>(830,511)</u>
OTHER FINANCING SOURCES (USES)				
Principal on bonds sold	-	-	-	1,065,000
Premium on bonds sold	-	-	-	773,114
Transfers in	800,700	800,700	-	799,100
Other uses	-	-	-	(1,032,281)
Total other financing sources	<u>800,700</u>	<u>800,700</u>	<u>-</u>	<u>1,604,933</u>
Net change in fund balance	<u>\$ (169,895)</u>	<u>(194,776)</u>	<u>\$ (24,881)</u>	<u>774,422</u>
Fund balance at beginning of year		<u>2,390,491</u>		<u>1,616,069</u>
FUND BALANCE AT END OF YEAR		<u>\$ 2,195,715</u>		<u>\$ 2,390,491</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013

	<u>Transportation</u>	<u>Municipal Retirement/ Social Security</u>	<u>Fire Prevention and Safety</u>	<u>Total Nonmajor Governmental Funds</u>
<u>ASSETS</u>				
Assets:				
Cash and investments	\$ 603,437	\$ 974,210	\$ 186,088	\$ 1,763,735
Receivables:				
Property taxes	208,047	893,717	-	1,101,764
Other	78	126	24	228
TOTAL ASSETS	<u>\$ 811,562</u>	<u>\$ 1,868,053</u>	<u>\$ 186,112</u>	<u>\$ 2,865,727</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 51,051	\$ -	\$ -	\$ 51,051
Accrued salaries and related expenditures	-	254,225	-	254,225
Deferred revenue	419,475	893,717	-	1,313,192
Total Liabilities	<u>470,526</u>	<u>1,147,942</u>	<u>-</u>	<u>1,618,468</u>
Fund Balances:				
Restricted - reported in special revenue funds	341,036	720,111	-	1,061,147
Restricted - reported in capital projects funds	-	-	186,112	186,112
Total Fund Balances	<u>341,036</u>	<u>720,111</u>	<u>186,112</u>	<u>1,247,259</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 811,562</u>	<u>\$ 1,868,053</u>	<u>\$ 186,112</u>	<u>\$ 2,865,727</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2013

	Transportation	Municipal Retirement/ Social Security	Fire Prevention and Safety	Total Nonmajor Governmental Funds
REVENUES				
Local sources	\$ 889,908	\$ 1,802,562	\$ (5,350)	\$ 2,687,120
State sources	291,934	-	-	291,934
Total Revenues	<u>1,181,842</u>	<u>1,802,562</u>	<u>(5,350)</u>	<u>2,979,054</u>
EXPENDITURES				
Current operating:				
Instruction	-	694,841	-	694,841
Support services	1,359,973	810,220	14,400	2,184,593
Community services	-	8,310	-	8,310
Capital outlay	-	-	773,727	773,727
Total Expenditures	<u>1,359,973</u>	<u>1,513,371</u>	<u>788,127</u>	<u>3,661,471</u>
Excess (deficiency) of revenues over expenditures	<u>(178,131)</u>	<u>289,191</u>	<u>(793,477)</u>	<u>(682,417)</u>
OTHER FINANCING SOURCES				
Sale of capital assets	359,200	-	-	359,200
Total other financing sources	<u>359,200</u>	<u>-</u>	<u>-</u>	<u>359,200</u>
Net changes in fund balances	<u>181,069</u>	<u>289,191</u>	<u>(793,477)</u>	<u>(323,217)</u>
Fund balances at beginning of year	<u>159,967</u>	<u>430,920</u>	<u>979,589</u>	<u>1,570,476</u>
FUND BALANCES AT END OF YEAR	<u><u>\$ 341,036</u></u>	<u><u>\$ 720,111</u></u>	<u><u>\$ 186,112</u></u>	<u><u>\$ 1,247,259</u></u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TRANSPORTATION FUND
YEAR ENDED JUNE 30, 2013 WITH COMPARATIVE ACTUAL TOTALS FOR 2012

	2013			2012 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources:				
General levy	\$ 227,272	\$ 327,959	\$ 100,687	\$ 220,968
Transportation fees	568,735	561,038	(7,697)	546,040
Investment income	150	911	761	202
Total local sources	<u>796,157</u>	<u>889,908</u>	<u>93,751</u>	<u>767,210</u>
State sources:				
Transportation - regular/vocational	10,432	10,165	(267)	7,814
Transportation - special education	232,516	281,769	49,253	198,788
Total state sources	<u>242,948</u>	<u>291,934</u>	<u>48,986</u>	<u>206,602</u>
Total revenues	<u>1,039,105</u>	<u>1,181,842</u>	<u>142,737</u>	<u>973,812</u>
EXPENDITURES				
Support Services:				
Business:				
Pupil transportation services:				
Salaries	153,624	134,164	19,460	484,063
Employee benefits	18,038	13,683	4,355	63,334
Purchased services	1,234,649	1,209,496	25,153	454,022
Supplies and materials	9,000	2,325	6,675	60,588
Other objects	1,000	305	695	878
Total	<u>1,416,311</u>	<u>1,359,973</u>	<u>56,338</u>	<u>1,062,885</u>
Total support services	<u>1,416,311</u>	<u>1,359,973</u>	<u>56,338</u>	<u>1,062,885</u>
Total expenditures	<u>1,416,311</u>	<u>1,359,973</u>	<u>56,338</u>	<u>1,062,885</u>
Excess (deficiency) of revenues over expenditures	<u>(377,206)</u>	<u>(178,131)</u>	<u>199,075</u>	<u>(89,073)</u>
OTHER FINANCING SOURCES				
Sale of capital assets	<u>359,200</u>	<u>359,200</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>359,200</u>	<u>359,200</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ (18,006)</u>	<u>181,069</u>	<u>\$ 199,075</u>	<u>(89,073)</u>
Fund balance at beginning of year		<u>159,967</u>		<u>249,040</u>
FUND BALANCE AT END OF YEAR		<u>\$ 341,036</u>		<u>\$ 159,967</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, 2013 WITH COMPARATIVE ACTUAL TOTALS FOR 2012

	2013			2012 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources:				
General levy	\$ 897,625	\$ 892,713	\$ (4,912)	\$ 879,366
Social security/medicare levy	897,625	890,916	(6,709)	879,653
Corporate personal property replacement taxes	17,600	17,600	-	17,600
Investment income	100	1,333	1,233	250
Total local sources	1,812,950	1,802,562	(10,388)	1,776,869
Total revenues	1,812,950	1,802,562	(10,388)	1,776,869
EXPENDITURES				
Current operating:				
Instruction:				
Regular programs	307,335	295,788	11,547	282,960
Special education programs	333,393	349,210	(15,817)	414,631
Remedial and supplemental programs	22,752	21,529	1,223	-
Interscholastic programs	1,963	1,733	230	1,430
Summer school programs	12,200	12,174	26	13,897
Gifted programs	9,134	7,720	1,414	-
Bilingual programs	7,643	6,687	956	6,533
Total instruction	694,420	694,841	(421)	719,451
Support services:				
Pupils:				
Attendance and social work services	12,678	11,398	1,280	11,003
Health services	30,674	26,868	3,806	23,872
Psychological services	5,756	5,457	299	5,680
Speech pathology and audiology services	9,009	8,543	466	8,283
Other support services - pupils	90,210	82,737	7,473	57,826
Total pupils	148,327	135,003	13,324	106,664
Instructional staff:				
Improvement of instruction staff	1,544	1,733	(189)	251
Educational media services	33,217	31,602	1,615	30,728
Total instructional staff	34,761	33,335	1,426	30,979
General administration:				
Board of education services	9,155	8,978	177	8,986
Executive administration services	12,226	11,925	301	11,247
Special area administration services	12,344	11,885	459	11,289
Total general administration	\$ 33,725	\$ 32,788	\$ 937	\$ 31,522

(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, 2013 WITH COMPARATIVE ACTUAL TOTALS FOR 2012

	2013			2012 Actual
	Final Budget	Actual	Variance Over/Under	
School administration:				
Office of the principal services	\$ 82,701	\$ 78,958	\$ 3,743	\$ 75,030
Total school administration	<u>82,701</u>	<u>78,958</u>	<u>3,743</u>	<u>75,030</u>
Business:				
Direction of business support services	8,730	5,054	3,676	7,782
Fiscal services	33,779	37,366	(3,587)	30,095
Operation and maintenance of plant services	275,560	276,679	(1,119)	251,611
Pupil transportation services	24,286	24,523	(237)	75,182
Food services	77,911	82,624	(4,713)	79,392
Total business	<u>420,266</u>	<u>426,246</u>	<u>(5,980)</u>	<u>444,062</u>
Central:				
Planning, research, development, and evaluation services	14,555	15,180	(625)	13,481
Staff services	121,633	28,552	93,081	30,143
Data processing services	63,488	60,158	3,330	57,580
Total central	<u>199,676</u>	<u>103,890</u>	<u>95,786</u>	<u>101,204</u>
Total support services	<u>919,456</u>	<u>810,220</u>	<u>109,236</u>	<u>789,461</u>
Community services	<u>7,600</u>	<u>8,310</u>	<u>(710)</u>	<u>7,541</u>
Total expenditures	<u>1,621,476</u>	<u>1,513,371</u>	<u>108,105</u>	<u>1,516,453</u>
Net change in fund balance	<u>\$ 191,474</u>	289,191	<u>\$ 97,717</u>	260,416
Fund balance at beginning of year		<u>430,920</u>		<u>170,504</u>
FUND BALANCE AT END OF YEAR		<u>\$ 720,111</u>		<u>\$ 430,920</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, 2013 WITH COMPARATIVE ACTUAL TOTALS FOR 2012

	2013			2012 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources:				
General levy	\$ -	\$ (5,773)	\$ (5,773)	\$ 356,871
Investment income	500	423	(77)	1,554
Total local sources	500	(5,350)	(5,850)	358,425
Total revenues	500	(5,350)	(5,850)	358,425
EXPENDITURES				
Support services:				
Facilities acquisition and construction:				
Purchased services	10,000	14,400	(4,400)	220,497
Capital outlay	758,000	773,727	(15,727)	1,295,148
Total	768,000	788,127	(20,127)	1,515,645
Total support services	768,000	788,127	(20,127)	1,515,645
Total expenditures	768,000	788,127	(20,127)	1,515,645
Excess (deficiency) of revenues over expenditures	(767,500)	(793,477)	(25,977)	(1,157,220)
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	-	(386,600)
Total other financing sources (uses)	-	-	-	(386,600)
Net change in fund balance	<u>\$ (767,500)</u>	(793,477)	<u>\$ (25,977)</u>	(1,543,820)
Fund balance at beginning of year		979,589		2,523,409
FUND BALANCE AT END OF YEAR		<u>\$ 186,112</u>		<u>\$ 979,589</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUND - AGENCY FUND - ACTIVITY FUNDS
YEAR ENDED JUNE 30, 2013

	Balance July 1, 2012	Additions	Deductions	Balance June 30, 2013
Assets:				
Cash	\$ 201,349	\$ 650,739	\$ 531,877	\$ 320,211
Liabilities:				
Due to organizations	\$ 201,349	\$ 650,739	\$ 531,877	\$ 320,211

WILMETTE PUBLIC SCHOOLS DISTRICT 39
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Governmental activities				
Net investment in capital assets	\$ 17,538,397	\$ 17,836,863	\$ 18,079,503	\$ 21,309,413
Restricted	3,442,974	3,960,967	4,133,990	2,257,903
Unrestricted	<u>25,448,371</u>	<u>21,874,664</u>	<u>14,512,880</u>	<u>16,243,899</u>
Total governmental activities net position	<u>\$ 46,429,742</u>	<u>\$ 43,672,494</u>	<u>\$ 36,726,373</u>	<u>\$ 39,811,215</u>

Source of information: District records.

2009	2008	2007	2006	2005	2004
\$ 24,990,652	\$ 25,401,375	\$ 24,946,426	\$ 22,999,904	\$ 22,866,135	\$ 23,779,375
1,376,371	1,211,710	1,404,698	2,205,361	8,163,942	7,690,172
16,964,324	20,440,250	21,421,342	21,892,657	16,825,588	15,099,454
<u>\$ 43,331,347</u>	<u>\$ 47,053,335</u>	<u>\$ 47,772,466</u>	<u>\$ 47,097,922</u>	<u>\$ 47,855,665</u>	<u>\$ 46,569,001</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	2013	2012	2011	2010
Expenses				
Governmental activities				
Instruction:				
Regular programs	\$ 21,921,115	\$ 20,920,295	\$ 20,723,936	\$ 21,087,451
Special programs	7,486,733	7,537,015	8,080,170	7,600,115
Other instructional programs	1,494,985	1,466,473	795,127	759,869
State retirement contributions	7,824,824	6,613,685	6,117,663	6,157,944
Support services:				
Pupils	3,071,419	2,766,716	2,838,294	2,770,540
Instructional staff	1,285,528	1,247,151	1,393,769	1,236,682
General administration	2,149,505	2,281,876	1,748,014	1,556,024
School administration	1,802,832	1,722,007	1,824,531	1,752,180
Business	2,277,739	2,495,021	2,440,281	2,618,117
Transportation	1,384,496	1,062,885	1,158,593	3,436,890
Operations and maintenance	4,746,517	4,151,168	4,107,954	1,062,364
Central	2,299,090	2,528,137	1,888,436	2,084,898
Other supporting services	414,176	427,948	438,369	766,797
Community services	108,810	97,760	86,275	87,955
Nonprogrammed charges-excluding special education	1,375,734	1,225,694	1,047,285	923,504
Interest and fees	869,273	721,290	636,574	644,916
Total governmental activities expenses	<u>60,512,776</u>	<u>57,265,121</u>	<u>55,325,271</u>	<u>54,546,246</u>
Program revenues				
Governmental activities				
Charges for services				
Instruction:				
Regular programs	1,448,234	1,390,709	1,223,443	1,617,246
Special programs	336,805	423,245	347,505	366,466
Other instructional programs	-	-	-	-
Support services:				
Business	1,277,669	1,277,092	1,260,435	1,195,981
Transportation	561,038	546,040	535,481	506,143
Operations and maintenance	33,836	70,655	42,697	16,130
Operating grants and contributions	11,895,628	10,111,158	9,726,041	9,699,032
Total governmental activities program revenues	<u>15,553,210</u>	<u>13,818,899</u>	<u>13,135,602</u>	<u>13,400,998</u>
Net revenue (expense)	<u>(44,959,566)</u>	<u>(43,446,222)</u>	<u>(42,189,669)</u>	<u>(41,145,248)</u>
Governmental activities				
General revenues				
Taxes:				
Real estate taxes, levied for general purposes	36,733,471	39,665,909	28,992,861	30,175,028
Real estate taxes, levied for specific purposes	7,811,155	7,626,065	7,008,351	7,651,920
Real estate taxes, levied for debt service	1,371,918	1,399,298	1,283,480	1,408,484
Personal property replacement taxes	458,536	433,232	434,068	374,135
State aid-formula grants	1,142,407	1,251,909	1,309,898	1,318,443
Investment earnings	55,883	13,378	29,251	157,013
Miscellaneous	143,444	2,552	46,918	75,423
Total governmental activities general revenues	<u>47,716,814</u>	<u>50,392,343</u>	<u>39,104,827</u>	<u>41,160,446</u>
Change in net position	<u>\$ 2,757,248</u>	<u>\$ 6,946,121</u>	<u>\$ (3,084,842)</u>	<u>\$ 15,198</u>

Source of information: District records.

2009	2008	2007	2006	2005	2004
\$ 19,841,772	\$ 19,216,915	\$ 17,467,441	\$ 16,799,230	\$ 15,482,029	\$ 14,306,430
7,742,514	7,010,484	6,823,349	6,528,300	6,047,383	5,695,670
742,221	731,267	740,146	615,829	456,690	478,032
4,432,743	3,310,777	2,169,789	1,484,730	2,291,090	2,500,820
2,570,214	2,411,912	2,217,451	2,202,571	1,650,899	1,514,501
1,341,041	956,322	824,955	909,899	852,629	774,482
1,724,366	1,233,534	1,135,830	1,148,477	1,111,905	1,060,746
1,729,293	1,841,356	1,653,609	1,544,306	1,534,730	1,384,977
2,580,919	2,374,723	2,162,640	2,059,000	1,955,215	2,076,363
969,637	965,830	965,594	962,050	917,294	988,281
5,083,886	4,278,779	4,038,450	4,066,706	3,222,044	3,098,546
2,488,280	2,337,801	2,275,205	2,361,320	1,804,324	2,007,515
775,748	461,553	534,011	427,131	428,930	492,553
84,932	83,063	104,922	110,062	81,407	84,686
75,570	66,636	57,928	51,666	26,245	16,202
745,417	657,101	529,041	551,278	602,848	591,325
52,928,553	47,938,053	43,700,361	41,822,555	38,465,662	37,071,129
816,733	847,506	735,034	650,744	721,058	647,855
157,953	157,031	86,652	58,565	26,346	65,405
162,468	221,471	269,066	191,632	134,929	186,938
1,086,217	1,175,819	1,113,599	1,022,451	999,676	996,255
567,488	509,451	459,051	436,814	430,819	450,009
33,354	15,882	17,521	16,382	17,111	21,516
8,499,709	6,755,446	5,463,088	4,503,822	4,654,018	5,054,128
11,323,922	9,682,606	8,144,011	6,880,410	6,983,957	7,422,106
(41,604,631)	(38,255,447)	(35,556,350)	(34,942,145)	(31,481,705)	(29,649,023)
27,109,681	26,147,593	24,896,026	23,893,795	23,486,889	25,862,389
6,952,071	6,889,164	6,593,457	6,132,811	5,835,964	2,117,297
1,306,394	1,324,036	1,319,696	1,320,077	1,334,005	1,266,131
479,385	539,807	504,375	462,300	364,745	301,428
1,005,990	1,237,734	1,147,353	1,100,373	1,065,351	999,196
707,453	1,024,889	1,407,436	1,059,060	587,310	271,917
321,669	373,092	362,552	215,986	94,105	156,456
37,882,643	37,536,315	36,230,895	34,184,402	32,768,369	30,974,814
\$ (3,721,988)	\$ (719,132)	\$ 674,545	\$ (757,743)	\$ 1,286,664	\$ 1,325,791

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

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
General Fund				
Nonspendable	\$ 91,444	\$ 108,151	\$ 109,755	
Unassigned	<u>31,787,130</u>	<u>30,543,098</u>	<u>14,813,397</u>	
Total general fund	<u>\$31,878,574</u>	<u>\$30,651,249</u>	<u>\$14,923,152</u>	
All Other Governmental Funds				
Restricted, reported in				
Debt service funds	\$ 2,195,715	\$ 2,390,491	\$ 1,616,069	
Special revenue funds	1,061,147	590,887	419,544	
Capital project funds	<u>186,112</u>	<u>979,589</u>	<u>2,523,409</u>	
Total all other governmental funds	<u>\$ 3,442,974</u>	<u>\$ 3,960,967</u>	<u>\$ 4,559,022</u>	
General Fund				
Nonspendable/Reserved				\$ -
Unassigned/Unreserved				<u>15,791,548</u>
Total general fund				<u>\$15,791,548</u>
All Other Governmental Funds				
Reserved				\$ 98,928
Restricted, reported in:				
Special revenue funds				1,292,400
Debt service funds				1,506,688
Capital project funds				<u>360,639</u>
Total all other governmental funds				<u>\$ 3,258,655</u>

Note: Starting in fiscal year 2011 the Working Cash and Tort Immunity Accounts are reported in the General Fund. In 2011 the District implemented GASB #54. Amounts prior to fiscal year 2011 have not been restated for GASB Statement #54.

Source of information: District records.

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$ -	\$ 99,983	\$ 99,983	\$ 100,083	\$ 157,189	\$ 252,495
<u>13,901,162</u>	<u>16,958,921</u>	<u>18,069,393</u>	<u>17,048,843</u>	<u>16,471,592</u>	<u>16,220,901</u>
<u>\$13,901,162</u>	<u>\$17,058,904</u>	<u>\$18,169,376</u>	<u>\$17,148,926</u>	<u>\$16,628,781</u>	<u>\$16,473,396</u>
\$ 826,327	\$ 717,700	\$ -	\$ -	\$ -	\$ -
3,463,363	4,344,607	4,530,485	5,038,390	5,885,289	5,762,549
601,577	1,259,204	1,213,993	1,109,001	1,475,418	1,410,553
<u>2,603,946</u>	<u>3,381,033</u>	<u>(302,208)</u>	<u>667,165</u>	<u>2,539,915</u>	<u>4,071,257</u>
<u>\$ 7,495,213</u>	<u>\$ 9,702,544</u>	<u>\$ 5,442,270</u>	<u>\$ 6,814,556</u>	<u>\$ 9,900,622</u>	<u>\$11,244,359</u>

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

	2013	2012	2011	2010
Revenues				
Local sources				
Property taxes	\$ 45,916,544	\$ 48,691,272	\$ 37,284,692	\$ 39,235,432
Replacement taxes	458,536	433,232	434,068	374,135
Tuition	556,632	622,900	534,891	511,664
Earnings on investments	55,883	13,378	29,251	379,369
Other local sources	3,100,950	3,087,393	2,921,588	3,265,725
Total local sources	<u>50,088,545</u>	<u>52,848,175</u>	<u>41,204,490</u>	<u>43,766,325</u>
State sources				
General state aid	1,142,407	1,251,909	1,309,898	1,077,939
Other state aid	10,554,853	8,814,034	8,475,500	7,690,272
Total state sources	<u>11,697,260</u>	<u>10,065,943</u>	<u>9,785,398</u>	<u>8,768,211</u>
Federal sources	<u>1,340,775</u>	<u>1,297,124</u>	<u>1,250,541</u>	<u>2,249,264</u>
Total revenues	<u>\$ 63,126,580</u>	<u>\$ 64,211,242</u>	<u>\$ 52,240,429</u>	<u>\$ 54,783,800</u>
Expenditures				
Current:				
Instruction				
Regular programs	\$ 19,654,850	\$ 18,467,063	\$ 18,488,295	\$ 18,750,516
Special programs	7,207,353	7,269,197	8,008,476	7,958,723
Other instructional programs	1,494,985	1,466,473	795,127	759,869
State retirement contributions	7,824,824	6,613,685	6,117,663	6,157,944
Total instruction	<u>36,182,012</u>	<u>33,816,418</u>	<u>33,409,561</u>	<u>33,627,052</u>
Supporting services				
Pupils	3,071,419	2,766,716	2,738,600	2,684,162
Instructional staff	1,285,528	1,247,151	1,055,882	1,007,502
General administration	1,591,001	1,723,602	1,699,677	1,511,291
School administration	1,802,832	1,724,752	1,709,732	1,647,689
Business	2,293,058	2,395,872	2,660,967	2,644,823
Transportation	1,384,496	1,138,067	1,025,667	1,080,032
Operations and maintenance	7,182,362	4,361,816	3,915,399	4,235,551
Central	2,916,697	2,929,309	2,691,017	2,817,788
Other supporting services	438,273	434,238	406,981	742,744
Total supporting services	<u>21,965,666</u>	<u>18,721,523</u>	<u>17,903,922</u>	<u>18,371,582</u>
Community services	<u>108,810</u>	<u>97,760</u>	<u>86,275</u>	<u>87,955</u>
Nonprogrammed charges	<u>1,375,734</u>	<u>1,225,694</u>	<u>1,047,285</u>	<u>923,504</u>
Total current	<u>59,632,222</u>	<u>53,861,395</u>	<u>52,447,043</u>	<u>53,010,093</u>
Other:				
Debt Service				
Principal	1,505,000	1,405,000	1,370,000	1,385,000
Interest and other	865,499	825,490	679,550	683,859
Capital outlay	773,727	1,295,148	2,518,797	2,051,020
Total other	<u>3,144,226</u>	<u>3,525,638</u>	<u>4,568,347</u>	<u>4,119,879</u>
Total expenses	<u>\$ 62,776,448</u>	<u>\$ 57,387,033</u>	<u>\$ 57,015,390</u>	<u>\$ 57,129,972</u>
Debt service as a percentage of noncapital expenditures	<u>3.8%</u>	<u>4.0%</u>	<u>3.8%</u>	<u>3.8%</u>

Source of information: District records.

2009	2008	2007	2006	2005	2004
\$ 35,368,146	\$ 34,360,793	\$ 32,809,179	\$ 31,346,683	\$ 30,656,858	\$ 29,245,817
479,385	539,807	504,375	462,300	364,745	301,428
389,555	480,819	385,857	282,005	188,542	276,550
562,238	947,748	1,407,436	1,059,059	587,310	246,225
2,754,127	2,813,911	2,631,707	2,303,614	2,234,702	2,246,630
<u>39,553,451</u>	<u>39,143,078</u>	<u>37,738,554</u>	<u>35,453,661</u>	<u>34,032,157</u>	<u>32,316,650</u>
1,005,990	1,237,734	1,147,353	1,100,373	1,065,351	999,196
6,900,558	5,697,821	4,459,451	3,485,276	4,075,697	4,409,364
<u>7,906,548</u>	<u>6,935,555</u>	<u>5,606,804</u>	<u>4,585,649</u>	<u>5,141,048</u>	<u>5,408,560</u>
1,672,316	989,982	1,029,548	1,024,668	589,333	633,752
<u>\$ 49,132,315</u>	<u>\$ 47,068,615</u>	<u>\$ 44,374,906</u>	<u>\$ 41,063,978</u>	<u>\$ 39,762,538</u>	<u>\$ 38,358,962</u>
\$ 18,160,883	\$ 17,633,998	\$ 16,100,710	\$ 15,399,237	\$ 14,174,281	\$ 13,374,055
6,879,012	6,958,252	6,625,439	6,071,825	5,108,176	4,436,111
723,170	714,315	725,330	602,212	444,444	466,280
4,432,743	3,310,777	2,169,789	1,484,730	2,291,090	2,500,820
<u>30,195,808</u>	<u>28,617,342</u>	<u>25,621,268</u>	<u>23,558,004</u>	<u>22,017,991</u>	<u>20,777,266</u>
2,482,183	2,331,544	2,154,143	2,135,841	1,592,798	1,463,932
1,122,126	954,851	823,239	845,703	796,700	740,118
1,681,670	1,195,220	1,102,170	1,114,295	1,075,944	1,036,142
1,629,084	1,750,785	1,578,924	1,471,641	1,464,348	1,328,316
2,416,165	2,225,676	2,028,729	1,933,482	1,795,520	1,768,247
853,567	869,524	890,907	895,260	851,875	924,305
4,303,239	4,472,515	3,825,788	3,447,831	3,164,589	3,027,625
2,488,280	2,159,068	2,183,608	2,302,909	1,804,324	2,007,515
615,532	399,280	463,910	403,804	426,194	492,264
<u>17,591,846</u>	<u>16,358,463</u>	<u>15,051,418</u>	<u>14,550,766</u>	<u>12,972,292</u>	<u>12,788,464</u>
84,932	83,063	104,922	110,062	81,407	84,686
870,966	66,636	196,635	450,173	920,188	1,241,055
<u>48,743,552</u>	<u>45,125,504</u>	<u>40,974,243</u>	<u>38,669,005</u>	<u>35,991,878</u>	<u>34,891,471</u>
1,405,131	821,897	808,801	977,699	957,385	973,924
743,826	802,097	538,666	578,230	626,547	640,998
3,607,079	4,490,452	2,621,361	3,405,798	3,375,880	4,308,934
<u>5,756,036</u>	<u>6,114,446</u>	<u>3,968,828</u>	<u>4,961,727</u>	<u>4,959,812</u>	<u>5,923,856</u>
<u>\$ 54,499,588</u>	<u>\$ 51,239,950</u>	<u>\$ 44,943,071</u>	<u>\$ 43,630,732</u>	<u>\$ 40,951,690</u>	<u>\$ 40,815,327</u>
<u>4.2%</u>	<u>3.5%</u>	<u>3.2%</u>	<u>3.9%</u>	<u>4.2%</u>	<u>4.4%</u>

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 *
2012	\$ 1,635,731,621	\$ (126,033,841)	-7.15%	\$ 4,907,194,863
2011	1,761,765,462	(195,117,005)	-9.97%	5,285,296,386
2010	1,956,882,467	(236,060,475)	-10.76%	5,870,647,401
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

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 TEN TAX LEVY YEARS

Taxing District	2012	2011	2010	2009
Cook County	0.5310	0.4620	0.4230	0.3940
Cook County Forest Preserve	0.0630	0.0580	0.0510	0.0490
Suburban Tb Sanitarium	0.0000	0.0000	0.0000	0.0000
Consolidated Elections	0.0000	0.0250	0.0000	0.0210
New Trier Township	0.0470	0.0420	0.0370	0.0300
New Trier General Assistance	0.0060	0.0050	0.0040	0.0030
Metro Water Reclamation District	0.3700	0.3200	0.2740	0.2610
North Shore Mosquito Abatement District	0.0100	0.0100	0.0090	0.0080
New Trier High School District #203	1.8640	1.6740	1.4740	1.2370
Oakton Community College #535	0.2190	0.1960	0.1600	0.1400
Wilmette Park District	0.4930	0.4510	0.3900	0.3320
Village of Wilmette	0.8670	0.7780	0.6740	0.5810
Wilmette Public Library District	0.3350	0.3020	0.2660	0.2300
Total overlapping rate	<u>4.8050</u>	<u>4.3230</u>	<u>3.7620</u>	<u>3.2860</u>
Wilmette Public School District No. 39	<u>2.9219</u>	<u>2.6194</u>	<u>2.3131</u>	<u>1.7158</u>
Total direct and overlapping rate	<u><u>7.7269</u></u>	<u><u>6.9424</u></u>	<u><u>6.0751</u></u>	<u><u>5.0018</u></u>

Source: Office of the County Clerk, Cook County, IL

2008	2007	2006	2005	2004	2003
0.4150	0.4460	0.5000	0.5330	0.5930	0.6300
0.0510	0.0530	0.0570	0.0600	0.0600	0.0590
0.0000	0.0000	0.0050	0.0050	0.0010	0.0040
0.0000	0.0120	0.0000	0.0140	0.0000	0.0290
0.0310	0.0310	0.0390	0.0370	0.0370	0.0450
0.0030	0.0030	0.0030	0.0020	0.0020	0.0030
0.2520	0.2630	0.2840	0.3150	0.3470	0.3610
0.0080	0.0080	0.0090	0.0080	0.0080	0.0090
1.2900	1.2990	1.6620	1.5770	1.6210	1.7990
0.1400	0.1410	0.1660	0.1580	0.1610	0.1860
0.3480	0.3600	0.4410	0.4130	0.4400	0.5260
0.5930	0.5970	0.7280	0.6710	0.6890	0.7880
0.2410	0.2450	0.2980	0.2830	0.3150	0.3520
<u>3.3720</u>	<u>3.4580</u>	<u>4.1920</u>	<u>4.0760</u>	<u>4.2740</u>	<u>4.7910</u>
<u>1.8114</u>	<u>1.8475</u>	<u>2.2607</u>	<u>2.1502</u>	<u>2.2375</u>	<u>2.7062</u>
<u>5.1834</u>	<u>5.3055</u>	<u>6.4527</u>	<u>6.2262</u>	<u>6.5115</u>	<u>7.4972</u>

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

<u>Taxpayer</u>	<u>2012 Equalized Assessed Valuation</u>	<u>Percentage of total 2012 Equalized Assessed Valuation (2)</u>
1630 Sheridan Corporation	\$ 9,319,356	0.57%
Joseph Moss	8,656,137	0.53%
Albertson Prop Tax	6,597,107	0.40%
Next Wilmette LLC	4,671,854	0.29%
Wesley Realty Group	3,794,246	0.23%
Ger Wilmette LLC	3,772,976	0.23%
Beth Corp	3,006,722	0.18%
MNR CR HLTH Serv 407	2,855,326	0.17%
Westmoreland Country Club	2,660,781	0.16%
Michigan Shores Club	2,657,296	0.16%
	<u>\$ 47,991,801</u>	<u>2.92%</u>

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

(2) 2012 total assessed valuation for Wilmette Public Schools is \$1,635,731,621

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

Taxpayer	2006 Equalized Assessed Valuation	Percentage of total 2006 Equalized Assessed Valuation (3)
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	2,205,642	0.15%
	\$ 56,040,209	3.71%

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

	2012	2011	2010	2009
Rates extended:				
Educational	\$ 2.3164	\$ 2.0841	\$ 1.8402	\$ 1.3386
Building (O&M)	0.2894	0.2600	0.2062	0.1783
Transportation	0.0265	0.0129	0.0114	-
Retirement (IMRF)	0.0567	0.0509	0.0449	0.0208
Social Security	0.0567	0.0509	0.0449	0.0303
Liability Insurance	0.0671	0.0603	0.0383	0.0280
Special Education	0.0165	0.0148	0.0131	0.0097
Working Cash Fund	0.0065	0.0058	0.0051	0.0137
Life Safety	-	-	0.0383	0.0352
Debt service	0.0861	0.0797	0.0707	0.0612
Total rates extended	<u>2.9219</u>	<u>2.6194</u>	<u>2.3131</u>	<u>1.7158</u>
Property tax extensions:				
Educational	\$ 37,890,087	\$ 36,716,954	\$ 36,010,551	\$ 29,354,734
Building (O&M)	4,733,807	4,580,590	4,035,092	3,910,017
Transportation	433,469	227,268	223,085	-
Retirement (IMRF)	927,460	896,739	878,640	456,132
Social Security	927,460	896,739	878,640	664,462
Liability Insurance	1,097,576	1,062,345	749,486	614,024
Special Education	269,896	260,741	256,352	212,715
Working Cash Fund	106,323	102,182	99,801	300,433
Life Safety	-	-	749,486	771,916
Debt service	1,408,365	1,404,127	1,383,516	1,342,081
Total levies extended	<u>\$ 47,794,442</u>	<u>\$ 46,147,685</u>	<u>\$ 45,264,648</u>	<u>\$ 37,626,515</u>
Current year collections	\$ 24,295,144	\$ 23,877,906	\$ 19,759,995	\$ 19,647,976
Subsequent collections	-	21,884,250	24,681,617	17,166,943
Total collections	<u>\$ 24,295,144</u>	<u>\$ 45,762,156</u>	<u>\$ 44,441,612</u>	<u>\$ 36,814,919</u>
Percentage of extensions collected -				
current year	50.8%	51.7%	43.7%	52.2%
subsequent collections	0.0%	47.4%	54.5%	45.6%
Total percentage of extensions collected	<u>50.8%</u>	<u>99.2%</u>	<u>98.2%</u>	<u>97.8%</u>

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

Source of information: Cook County Clerk

	2008	2007	2006	2005	2004	2003
\$	1.3838	\$ 1.3899	\$ 1.7011	\$ 1.6114	\$ 1.7017	\$ 2.0106
	0.1895	0.2044	0.2556	0.2525	0.2660	0.3358
	0.0056	0.0117	0.0147	0.0191	0.0127	0.0253
	0.0316	0.0260	0.0376	0.0346	0.0366	0.0461
	0.0474	0.0260	0.0315	0.0299	0.0308	0.0373
	0.0365	0.0364	0.0450	0.0382	0.0409	0.0495
	0.0151	0.0156	0.0200	0.0150	0.0158	0.0200
	-	0.0287	0.0130	0.0312	0.0072	0.0257
	0.0365	0.0390	0.0534	0.0299	0.0294	0.0357
	0.0654	0.0698	0.0888	0.0884	0.0964	0.1202
	<u>1.8114</u>	<u>1.8475</u>	<u>2.2607</u>	<u>2.1502</u>	<u>2.2375</u>	<u>2.7062</u>
\$	28,460,999	\$ 26,749,417	\$ 25,745,105	\$ 24,492,138	\$ 23,735,335	\$ 22,474,580
	3,897,499	3,933,794	3,868,349	3,837,821	3,710,172	3,753,588
	115,177	225,173	222,475	290,306	177,140	282,805
	649,926	500,385	569,053	525,895	510,497	515,308
	974,889	500,385	476,733	454,459	429,599	416,941
	750,706	700,539	681,047	580,613	570,474	553,313
	310,566	300,231	302,688	227,989	220,379	223,561
	-	552,348	196,747	474,218	100,426	287,276
	750,706	750,577	808,176	454,459	410,072	399,056
	1,345,100	1,343,341	1,343,934	1,343,617	1,344,589	1,343,601
\$	<u>37,255,568</u>	<u>35,556,190</u>	<u>34,214,308</u>	<u>32,681,516</u>	<u>31,208,681</u>	<u>30,250,029</u>
\$	17,057,169	\$ 16,726,251	\$ 15,879,969	\$ 15,286,326	\$ 14,893,475	\$ 14,148,215
	19,676,027	18,266,019	17,598,143	16,929,210	16,060,358	15,910,435
\$	<u>36,733,196</u>	<u>34,992,270</u>	<u>33,478,112</u>	<u>32,215,536</u>	<u>30,953,833</u>	<u>30,058,650</u>
	45.8%	47.0%	46.4%	46.8%	47.7%	46.8%
	52.8%	51.4%	51.4%	51.8%	51.5%	52.6%
	<u>98.6%</u>	<u>98.4%</u>	<u>97.8%</u>	<u>98.6%</u>	<u>99.2%</u>	<u>99.4%</u>

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

Fiscal Year Ended June 30,	General Obligation Bonds	Debt Certificates	Capital Leases	Total	Percentage of Personal Income
2013	\$ 14,365,000	\$ 9,045,000	\$ -	\$ 23,410,000	1.20%
2012	15,145,000	9,770,000	-	24,915,000	1.32%
2011	15,830,000	2,950,000	-	18,780,000	1.06%
2010	11,155,000	3,620,000	-	14,775,000	0.83%
2009	11,895,000	4,265,000	-	16,160,000	0.86%
2008	12,605,000	4,885,000	75,131	17,565,131	0.93%
2007	10,885,000	-	147,029	11,032,029	0.72%
2006	11,625,000	-	-	11,625,000	0.76%
2005	12,330,000	-	272,699	12,602,699	0.82%
2004	13,030,000	-	530,084	13,560,084	0.88%

Source of information: Annual Financial Statements 2004 to 2013.

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
2013	\$ 23,410,000	\$ 2,195,715	\$ 21,214,285	1.43%	777
2012	24,915,000	2,390,491	22,524,509	1.41%	828
2011	18,780,000	1,616,069	17,163,931	0.96%	653
2010	14,775,000	1,506,688	13,268,312	0.67%	504
2009	16,160,000	1,331,877	14,828,123	0.79%	561
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%	350
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

Source of information: Annual Financial Statements 2004 to 2013.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
JUNE 30, 2013

Jurisdiction overlapping	Bonded indebtedness	Portion applicable to School District	
		Percent	Amount
County			
Cook County	\$ 3,706,435,000	1.204%	\$ 44,625,477
Cook County Forest Preserve	131,500,000 (2)	1.204%	1,583,260
Metropolitan Water Reclamation District	2,492,761,543 (1)	1.229%	30,636,039
School Districts			
High School District 203	16,111,456 (2)(3)	32.346%	5,211,412
Community College District 535	25,540,000	7.572%	1,933,889
Park Districts			
Wilmette Park District	23,713,000	89.646%	21,257,756
Glenview Park District	1,590,000 (2)	3.100%	49,290
Municipalities			
Village of Wilmette	71,095,000	89.445%	63,590,923
Village of Glenview	40,750,000 (4)	3.647%	1,486,153
Total overlapping debt	6,509,495,999		170,374,199
Wilmette Public School District No. 39	14,365,000	100.000%	14,365,000
Total overlapping and direct bonded debt	6,523,860,999		184,739,199

(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.

(4) Excludes self-operating bonds for which an abatement is filed annually.

Source: Offices of the Cook County Clerk, Comptroller and Treasurer of the Metropolitan Water Reclamation District of Greater Chicago

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>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Debt limit	\$ 112,865,482	\$ 121,561,817	\$ 135,024,890	\$ 151,313,063
Total net debt applicable to limit	<u>21,214,285</u>	<u>22,524,509</u>	<u>17,163,931</u>	<u>13,268,312</u>
Legal debt margin	<u>\$ 91,651,197</u>	<u>\$ 99,037,308</u>	<u>\$ 117,860,959</u>	<u>\$ 138,044,751</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>18.80%</u>	<u>18.53%</u>	<u>12.71%</u>	<u>8.77%</u>

Legal Debt Margin calculation for fiscal year June 30, 2013

Assessed valuation of taxable properties for the tax year 2012	\$ 1,635,731,621
Rate	<u>6.9%</u>
Debt Limit	<u>112,865,482</u>
Debt subject to limitation:	
Total debt subject to limitation	23,410,000
Less Debt Service Fund balance	<u>(2,195,715)</u>
Net debt outstanding subject to limitation	<u>21,214,285</u>
Legal bonded debt margin at June 30, 2013	<u>\$ 91,651,197</u>

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

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$141,911,586	\$132,794,430	\$104,427,267	\$104,875,108	\$ 96,423,208	\$ 77,591,273
<u>16,160,000</u>	<u>17,565,131</u>	<u>11,032,028</u>	<u>11,625,000</u>	<u>12,602,699</u>	<u>13,560,083</u>
<u>\$125,751,586</u>	<u>\$115,229,299</u>	<u>\$ 93,395,239</u>	<u>\$ 93,250,108</u>	<u>\$ 83,820,509</u>	<u>\$ 64,031,190</u>
<u>11.39%</u>	<u>13.23%</u>	<u>10.56%</u>	<u>11.08%</u>	<u>13.07%</u>	<u>17.48%</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
2013	27,294	\$ 1,950,975	\$ 71,480	5.8%
2012	27,206	1,887,090	69,363	6.5%
2011	26,300	1,772,804	67,407	6.4%
2010	26,300	1,784,797	67,863	6.2%
2009	26,418	1,886,958	71,427	3.8%
2008	26,435	1,888,173	71,427	3.0%
2007	27,651	1,537,700	55,611	2.7%
2006	27,651	1,537,700	55,611	3.6%
2005	27,651	1,537,700	55,611	3.9%
2004	27,651	1,537,700	55,611	4.4%

Sources: US Census Bureau, Illinois Department of Employment Security

WILMETTE PUBLIC SCHOOLS DISTRICT 39
PRINCIPAL EMPLOYERS
CURRENT YEAR AVAILABLE AND FIVE YEARS AGO

Employer	2013	
	Employees	Percentage of Total City Employment
New Trier High School District 203	735	5.9%
Wilmette School District Number 39	545 *	4.4%
Jewel/Osco	250	2.0%
Carson Pirie Scott & Co.	250 *	2.0%
Village of Wilmette	235 *	1.9%
Loyola Academy	180	1.5%
Fresh Market	100	0.8%
Wilmette Park District	70	0.6%
F.J. Kerrigan Plumbing Co.	65	0.5%
North Suburban Patrol Inc.	60	0.5%
Chase Bank, Div of JP Morgan & Chase Co.	50	0.4%
Total	2,540	20.5%

Employer	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
Total	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 2013 is 12,387. Total city employment for 2008 is not available.

* Includes part-time and/or seasonal employees

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

	2012- 2013	2011- 2012	2010 - 2011	2009 - 2010	2008 - 2009
Administration:					
Superintendent	1	1	1	1	1
District Administrators	6	6	6	6	6
Principals and assistants	10	10	9	9	9
Total administration	17	17	16	16	16
Instruction:					
Teachers:					
Elementary (K-4)	88	85	87	91	93
Middle (5-8)	35	33	34	35	34
Jr. High (7-8)	34	32	33	35	35
Art	8	8	9	9	9
Music	11	11	11	13	13
Drama	3	3	3	3	3
Foreign language	19	18	19	20	20
Library media specialist	6	6	6	6	6
Physical education	19	19	19	19	19
Special education and bilingual	67	68	78	78	78
Curriculum differentiation/gifted	8	8	8	8	8
Curriculum Coordinators	2	2	2	2	1
Psychologists	6	6	6	6	7
Certified school nurse	1	1	1	1	1
School workers and counselors	10	10	10	10	10
Technology	8	8	8	8	9
Total instruction	325	318	334	344	346
Other supporting staff:					
Clerical 10 month	10	11	11	11	11
Clerical 12 month	9	9	9	11	11
Classroom assistants	28	29	31	29	24
Reading assistants	5	5	4	4	4
Special education assistants	76	72	81	87	92
Technology	5	5	4	5	5
Maintenance custodians & warehouse	34	30	32	36	37
Food Service	20	20	20	20	18
Transportation	2	13	12	13	12
Nurses	5	5	7	7	9
Occupation and physical therapists	6	6	6	5	7
Total support staff	200	205	217	228	230
Total staff	542	540	567	588	592

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

2007 - 2008	2006 - 2007	2005 - 2006	2004 - 2005	2003 - 2004
1	1	1	1	1
5	3	3	4	4
9	10	10	10	8
15	14	14	15	13
89	89	90	89	92
35	34	34	32	32
33	33	34	36	36
9	8	9	8	9
12	12	12	12	12
3	2	3	3	3
17	19	18	12	12
5	6	6	6	6
19	19	19	17	17
75	72	66	61	53
8	8	8	8	8
1	4	3	3	4
6	5	5	5	5
-	-	1	1	1
9	8	8	8	8
9	8	8	8	8
330	327	324	309	306
11	18	18	19	19
10	13	14	12	12
27	22	24	24	23
3	3	3	3	4
93	79	85	72	67
5	6	6	6	5
37	39	38	38	38
18	17	17	17	17
14	11	9	12	10
9	7	6	6	6
6	4	5	3	3
233	219	225	212	204
578	560	563	536	523

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
2013	3,367	\$46,868,947	\$ 13,920	2.34%	\$60,512,776	\$ 17,972
2012	3,299	44,872,597	13,602	2.89%	57,265,121	17,358
2011	3,303	43,663,704	13,219	0.74%	55,325,271	16,750
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%	47,938,053	14,787
2007	3,278	38,041,791	11,605	5.06%	43,700,361	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

Source of information: District records.

Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced Meals
3.54%	325	10.4	2.90%
3.63%	318	10.4	2.90%
2.60%	334	9.9	2.50%
2.72%	344	9.7	2.20%
7.49%	346	9.6	0.30%
10.92%	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%	309	10.6	0.14%

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

	2013	2012	2011	2010
Harper School				
Square feet	47,000	47,000	47,000	47,000
Capacity (students)	456	456	456	456
Enrollment	390	421	410	432
Romona School				
Square feet	77,500	77,500	77,500	77,500
Capacity (students)	528	528	528	528
Enrollment	546	501	531	535
Central School				
Square feet	76,000	76,000	76,000	76,000
Capacity (students)	696	696	696	696
Enrollment	502	544	534	551
McKenzie School				
Square feet	69,000	69,000	69,000	69,000
Capacity (students)	624	624	624	624
Enrollment	560	564	545	535
Wilmette Junior High				
Square feet	119,850	113,000	113,000	113,000
Capacity (students)	917	917	917	917
Enrollment	827	824	822	861
Highest Middle School				
Square feet	123,425	123,425	123,425	123,425
Capacity (students)	850	850	850	850
Enrollment	877	806	802	801
Mikaelian Education Center				
Square feet	23,560	23,560	23,560	23,560

Source of information: District records.

2009	2008	2007	2006	2005	2004
47,000	47,000	47,000	47,000	47,000	47,000
456	456	456	456	456	456
419	444	439	418	387	420
77,500	77,500	77,500	77,500	77,500	77,500
528	528	528	528	528	528
495	489	512	516	479	493
76,000	76,000	76,000	76,000	76,000	76,000
696	696	696	696	696	696
551	570	542	564	576	576
69,000	69,000	69,000	69,000	69,000	69,000
624	624	624	624	624	624
508	478	478	489	523	509
113,000	113,000	113,000	113,000	113,000	113,000
917	917	917	917	917	917
880	879	834	806	808	802
123,425	123,425	123,425	123,425	123,425	123,425
850	850	850	850	850	850
812	843	857	822	810	796
23,560	23,560	23,560	23,560	23,560	23,560

WILMETTE PUBLIC SCHOOLS DISTRICT 39
OPERATING STATISTICS
JUNE 30, 2013

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:	3,642
Certified teaching staff:	325
Pupil/Teacher ratio:	10.4:1
Faculty holding masters degree:	73%