

Sunset Ridge School District No. 29

Annual Financial Report

Year Ended June 30, 2013

Sunset Ridge School District No. 29
 ANNUAL FINANCIAL REPORT
 For the Year Ended June 30, 2013

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MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

The Members of the Board of Education
Sunset Ridge School District No. 29
Northfield, 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 Sunset Ridge School District No. 29, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Sunset Ridge School District No. 29's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Sunset Ridge School District No. 29's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion 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.

(Continued)

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 Sunset Ridge School District No. 29, 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 on pages 4 through 12, the Illinois Municipal Retirement Fund historical data on page 52, the other postemployment benefits data on page 53, the budgetary comparison schedules on pages 54 through 67, and notes to required supplementary information on page 68 and 69 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, are 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 Sunset Ridge School District No. 29's basic financial statements. The other schedules listed in the table of contents in the supplementary financial information and other supplemental information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

(Continued)

Other Information (Continued)

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Sunset Ridge School District No. 29, as of and for the year ended June 30, 2012 (not presented herein), and have issued our report thereon dated October 3, 2012, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund, Fire Prevention and Safety Fund, and Debt Service Fund with comparative actual amounts for the year ended June 30, 2012 were presented for purposes of additional analysis and were not a required part of the basic financial statements. Such information is the responsibility of management and are derived from and relates directly to the underlying accounting and other records used to prepare the 2012 financial statements. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund, Fire Prevention and Safety Fund, and Debt Service Fund have been subjected to the auditing procedures applied in the audit of the 2012 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund, Fire Prevention and Safety Fund, and Debt Service Fund – were fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2012.

The Other Supplemental Information 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 November 21, 2013 on our consideration of Sunset Ridge School District No. 29'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 Sunset Ridge School District No. 29's internal control over financial reporting and compliance.

MILLER, COOPER & CO., LTD.



Certified Public Accountants

Deerfield, Illinois
November 21, 2013

Sunset Ridge School District No. 29

Management's Discussion and Analysis

For the Year Ended June 30, 2013

The discussion and analysis of Sunset Ridge School District No. 29'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. Certain comparative information between the current year and the prior year is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- During Fiscal Year 2013, the Illinois State Board of Education (ISBE) awarded the District a Certificate of Financial Recognition in honor of its commitment to financial excellence. This commendation, based on 2012 fiscal year financial statements and the school system's 2013 financial profile, places the District in the ISBE's highest category of financial achievement which the District has achieved for the past ten years.
- District 29 maintained its Aaa rating from Moody's. The highest rating possible reflects historically solid fiscal performance, projected operating surpluses and strong financial management practices embedded in the District's multi-year budgeting and financial planning. Consistent with other districts awarded elite status by Moody's, District 29 exemplifies the ability to navigate all economic cycles as well as strategically adjusting to variables of student enrollment and the State of Illinois financial struggles.
- General revenues from primarily taxes and state aid accounted for \$12,015,145, or 83% of the District's total revenue of \$14,414,803. Program specific revenues in the form of charges for services, contributions, and grants were \$2,283,474, or 16% of total revenue.
- The District had \$13,810,227 in expenses related to government activities. However, only \$2,283,474 of these expenses was offset by program specific charges, contributions, and grants.
- Among the major funds, the General Fund (which includes the Educational, Tort Immunity and Judgment, and Working Cash Funds) had \$13,366,614 in revenues, primarily consisting of property taxes, state aid, and other local revenue, and \$12,247,019 in expenditures.
- The District continued to pay down its general obligation long-term debt by retiring \$360,000, in fiscal year 2013.
- The Board of Education Finance/Facilities Committee met frequently throughout the year to review fiscal operations and facility needs. The Committee spent time discussing the District's Strategic Plan including Goal 9: "Explore Alternatives for Addressing Substantial Internal and External Financial Changes". Many long-term threats to financial stability were identified and discussed including loss in real estate taxes due to property tax appeals, reduction in state and federal revenues, pension reform cost shifts, rising healthcare costs, unexpected facility repairs, and unanticipated increase in enrollment requiring additional staff or possible facility expansion. Despite the potential of these threats, the Board is committed to maintaining the District's strong financial status.

Sunset Ridge School District No. 29

Management's Discussion and Analysis

For the Year Ended June 30, 2013

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 required supplementary information, supplementary financial information, and other supplementary information in addition to the basic financial statements.

Government-wide financial statements

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

The statement of net 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). The District has no business-type activities; that is, functions that are intended to recover all or a significant portion of their costs through user fees and charges. The District's governmental activities include instructional services (regular education, special education, and other), supporting services, operations and maintenance of facilities, and transportation services.

Fund financial statements

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

Sunset Ridge School District No. 29

Management's Discussion and Analysis

For the Year Ended June 30, 2013

Overview of the Financial Statements (Continued)

Fund financial statements (Continued)

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

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

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

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

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

Sunset Ridge School District No. 29
Management's Discussion and Analysis
For the Year Ended June 30, 2013

Overview of the Financial Statements (Continued)

Other information

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

Government-Wide Financial Analysis

Net position: The District's combined net position increased by \$604,576 to \$16,619,005 as a result of FY13 operations (Tables 1 and 2).

Table 1		
Condensed Statement of Net position		
	Governmental Activities <u>2013</u>	Governmental Activities <u>2012</u>
Assets:		
Current and other assets	\$ 19,047,949	\$ 18,268,718
Capital assets (see Note G)	<u>6,233,913</u>	<u>5,975,207</u>
Total assets	<u>25,281,862</u>	<u>24,243,925</u>
Liabilities:		
Long-term debt outstanding	2,190,797	2,369,417
Other liabilities	<u>6,472,060</u>	<u>5,860,079</u>
Total liabilities	<u>8,662,857</u>	<u>8,229,496</u>
Net position:		
Invested in capital assets, net of related debt	4,150,699	4,908,528
Restricted	5,069,572	735,368
Unrestricted	<u>7,398,734</u>	<u>10,370,533</u>
Total net position	<u>\$ 16,619,005</u>	<u>\$ 16,014,429</u>

Sunset Ridge School District No. 29
Management's Discussion and Analysis
For the Year Ended June 30, 2013

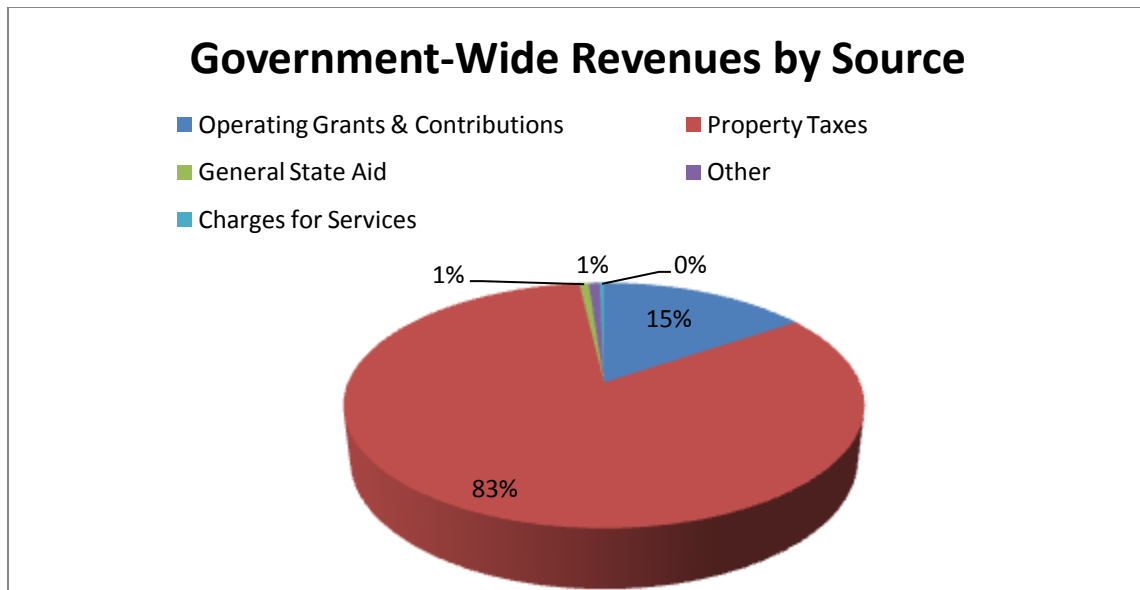
Government-Wide Financial Analysis (Continued)

Table 2		
Changes in Net position		
	Governmental Activities <u>2013</u>	Governmental Activities <u>2012</u>
Revenues:		
<i>Program revenues:</i>		
Charges for services	\$ 47,142	\$ 42,595
Operating grants and contributions	2,236,332	2,013,910
<i>General revenues:</i>		
Taxes	11,914,446	11,695,198
State aid-formula grants	100,699	159,577
Other	<u>116,184</u>	<u>81,186</u>
Total revenues	<u>14,414,803</u>	<u>13,992,466</u>
Expenses:		
Instruction	9,280,858	9,178,514
Pupil and instructional staff services	654,208	595,500
Administration and business	2,643,175	2,345,724
Transportation	62,939	84,385
Operations and maintenance	1,025,243	1,080,763
Central	3,247	2,565
Community services	15,000	-
Interest and fees	<u>125,557</u>	<u>137,608</u>
Total expenses	<u>13,810,227</u>	<u>13,425,059</u>
Increase (decrease) in net position	604,576	567,407
Net position, beginning of year	<u>16,014,429</u>	<u>15,447,022</u>
Net position, end of year	<u>\$ 16,619,005</u>	<u>\$ 16,014,429</u>

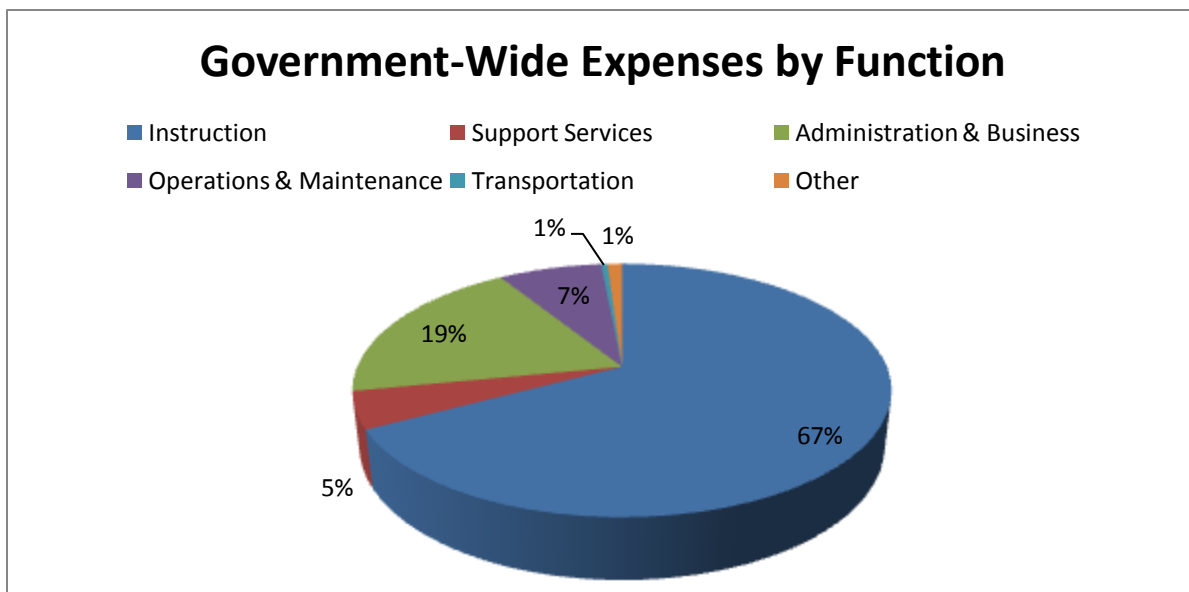
Sunset Ridge School District No. 29 Management's Discussion and Analysis For the Year Ended June 30, 2013

Government-Wide Financial Analysis (Continued)

Revenues by Source: Property taxes accounted for the largest portion of the District's revenue, contributing 83 cents of every dollar raised. The remainder of the District's revenue came from state and federal grants, contributions, and other sources.



Expenses by Function: The total cost of all programs and services was \$13,810,227. The District's expenses are predominantly related to instruction, which makes up 67% of total expenses.



Sunset Ridge School District No. 29

Management's Discussion and Analysis

For the Year Ended June 30, 2013

Financial Analysis of the District's Funds

The District's governmental funds' combined fund balance increased from \$12,403,570 to \$12,567,074.

General Fund Budgetary Highlights

Over the course of the year, the District did not revise the annual operating budget.

The District's budget for the General Fund anticipated that revenues would exceed expenditures by \$880,609. The actual results for the year show the revenues exceeded expenditures by \$1,119,595.

Capital Assets and Debt Administration

Capital Assets

By the end of FY2013, the District had compiled a total investment of \$6,233,913 (net of accumulated depreciation) in a broad range of capital assets including buildings, improvements other than buildings, land, and equipment. Total depreciation expense for the year was \$479,563.

More detailed information about capital assets can be found in Note G of the notes to the financial statements.

Table 3		
Capital Assets (net of depreciation)		
	<u>2013</u>	<u>2012</u>
Land	\$ 76,885	\$ 76,885
Improvements other than buildings	92,234	1,792,038
Buildings	5,507,731	3,990,276
Equipment	<u>557,063</u>	<u>116,008</u>
Total	<u>\$ 6,233,913</u>	<u>\$ 5,975,207</u>

Sunset Ridge School District No. 29

Management's Discussion and Analysis

For the Year Ended June 30, 2013

Capital Assets and Debt Administration (Continued)

Long-term debt

At year-end, the District retired \$360,000 in general obligation bonds, and recognized \$124,697 of accretion on capital appreciation bonds in FY13. The carrying amount of these capital appreciation bonds, on June 30, 2013, is \$2,002,921. The District also retired \$25,000 of its Northfield Community Center intergovernmental loan, in FY13.

Table 4		
Outstanding Long-Term Debt		
	<u>2013</u>	<u>2012</u>
General obligation bonds	\$ 2,002,921	\$ 2,238,224
Capital lease	80,293	-
Intergovernmental loan and other	<u>107,583</u>	<u>131,193</u>
Total	<u>\$ 2,190,797</u>	<u>\$ 2,369,417</u>

During fiscal year 2013, the District entered into two capital lease agreements. The District has no plans to issue new debt in the near future, other than possibly leasing technology equipment, which is part of the Board-approved multiyear technology plan.

More detailed information about long-term debt can be found in Note I of the notes to the financial statements.

Factors Bearing on the District's Future

Sunset Ridge School District 29 continues to achieve State Financial Recognition, however, continued economic stagnation and the uncertainty of education funding in Illinois gives the Board of Education impetus to continue to identify various cost saving measures to maintain fiscal stability on behalf of students, staff and stakeholders in the future.

Pension reform is one area the Board of Education continues to monitor very closely. One provision of the original pension reform package is to shift the State's portion of the normal employer costs to local school districts. If this provision is approved it would have a significant impact on the District's finances. While District 29 keeps a healthy percentage of reserve funds to safeguard against future uncertainties, the Board remains fiscally conservative and is dedicated to preserving a balanced budget.

Sunset Ridge School District No. 29

Management's Discussion and Analysis

For the Year Ended June 30, 2013

Factors Bearing on the District's Future (Continued)

For tax year 2012 payable in 2013, the District's equalized assessed value (EAV) for all real property within the District 29 boundaries decreased approximately 6.3% from \$483.7 million to \$453.2 million. New property growth was \$1.7 million. There is little undeveloped land remaining within the District 29 boundaries. Triennial reassessment reductions, continued phase-out of the 7% cap on assessed value increases, property owner assessment appeals, and lower than usual new property additions to the tax rolls all contributed to the EAV reduction of over 28% the past three years. As the EAV goes down, the tax rate rises because of the inverse relationship. The 2012 Tax Year rate was 2.701 as compared to 2.450 in 2011. Property tax cap legislation (PTELL) limited the 2012 levy extension increase to 3.0% which was the 2011 CPI. Total 2012 levy extension was \$12,238,975. This is \$390,999 greater than the 2011 levy extension.

The Sunset Ridge Education Association (SREA) teachers' contract expires as of August 31, 2014. District Administration, SREA representatives and the Board of Education will begin negotiations in FY 2014 seeking to ratify a new contract.

Sunset Ridge No. 29 students continue to be among the highest performing in the region with the vast majority meeting or exceeding state and national academic standards. District residents take pride in the quality and value of the education students receive and staff provide in every grade from kindergarten through graduation. A successful District 29 student demonstrates strong character, independence and resiliency, thinks critically and creatively, solves problems and collaborates effectively throughout society. The tradition of educational excellence continues at Sunset Ridge School District 29.

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:

Sunset Ridge School District No. 29
525 Sunset Ridge Road
Northfield, Illinois 60093

BASIC FINANCIAL STATEMENTS

Sunset Ridge School District No. 29
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
June 30, 2013

ASSETS

Cash and investments	\$	12,981,753
Receivables (net of allowance for uncollectibles):		
Interest		10,999
Property taxes		5,935,881
Replacement taxes		22,178
Intergovernmental		84,717
Prepaid items		11,696
Other current assets		725
Capital assets:		
Land		76,885
Depreciable buildings, property, and equipment, net		<u>6,157,028</u>
 Total assets		 <u>25,281,862</u>

LIABILITIES

Accounts payable		59,193
Payroll deductions payable		71,392
Other current liabilities		483,510
Unearned revenue		5,857,965
Long-term liabilities:		
Due within one year		420,270
Due after one year		<u>1,770,527</u>
 Total liabilities		 <u>8,662,857</u>

NET POSITION

Invested in capital assets, net of related debt		4,150,699
Restricted For:		
Operations and maintenance		4,377,729
Debt service		376,501
Student transportation		178,073
Retirement benefits		3,785
Tort immunity		5,550
Capital projects		127,934
Unrestricted		<u>7,398,734</u>
 Total net position	 \$	 <u>16,619,005</u>

The accompanying notes are an integral part of this statement.

Sunset Ridge School District No. 29

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2013

Functions / Programs	Expenses	PROGRAM REVENUES		Net (Expenses) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities				
Instruction:				
Regular programs	\$ 5,118,347	\$ 7,142	\$ 61,512	\$ (5,049,693)
Special programs	2,160,134	-	354,309	(1,805,825)
Other instructional programs	238,095	-	5,921	(232,174)
State retirement contributions	1,764,282	-	1,764,282	-
Support services:				
Pupils	577,149	-	-	(577,149)
Instructional staff	77,059	-	14,526	(62,533)
General administration	1,011,114	-	-	(1,011,114)
School administration	584,575	-	-	(584,575)
Business	1,047,486	-	3,733	(1,043,753)
Transportation	62,939	-	32,049	(30,890)
Operations and maintenance	1,025,243	40,000	-	(985,243)
Central	3,247	-	-	(3,247)
Community services	15,000	-	-	(15,000)
Interest and fees	125,557	-	-	(125,557)
	<u>\$ 13,810,227</u>	<u>\$ 47,142</u>	<u>\$ 2,236,332</u>	<u>(11,526,753)</u>
Total governmental activities				
General revenues:				
Taxes:				
				10,875,773
				553,912
				369,834
				114,927
				100,699
				28,189
				87,995
				<u>12,131,329</u>
				604,576
				<u>16,014,429</u>
				\$ 16,619,005

The accompanying notes are an integral part of this statement.

Sunset Ridge School District No. 29

Governmental Funds

BALANCE SHEET

June 30, 2013

	General	Operations and Maintenance	Transportation	Municipal Retirement / SOC. SEC.
ASSETS				
Cash and investments	\$ 7,943,168	\$ 4,363,706	\$ 172,402	\$ 510
Receivables (net of allowance for uncollectibles):				
Interest	10,999	-	-	-
Property taxes	5,482,745	1	15,027	249,842
Replacement taxes	-	22,178	-	-
Intergovernmental	76,703	-	8,014	-
Prepaid items	11,696	-	-	-
Other current assets	<u>725</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 13,526,036</u>	<u>\$ 4,385,885</u>	<u>\$ 195,443</u>	<u>\$ 250,352</u>
LIABILITIES AND FUND BALANCES				
Accounts payable	\$ 49,225	\$ 7,427	\$ 2,541	\$ -
Payroll deductions payable	70,663	729	-	-
Other current liabilities	483,510	-	-	-
Deferred revenue	<u>5,419,586</u>	<u>-</u>	<u>14,829</u>	<u>246,567</u>
Total liabilities	<u>6,022,984</u>	<u>8,156</u>	<u>17,370</u>	<u>246,567</u>
Fund balances:				
Nonspendable	11,696	-	-	-
Restricted	5,550	4,377,729	178,073	3,785
Unassigned	<u>7,485,806</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>7,503,052</u>	<u>4,377,729</u>	<u>178,073</u>	<u>3,785</u>
Total liabilities and fund balance	<u>\$ 13,526,036</u>	<u>\$ 4,385,885</u>	<u>\$ 195,443</u>	<u>\$ 250,352</u>

The accompanying notes are an integral part of this statement.

Debt Service	Fire Prevention and Safety	Total
\$ 374,099	\$ 127,868	\$ 12,981,753
-	-	10,999
183,333	4,933	5,935,881
-	-	22,178
-	-	84,717
-	-	11,696
-	-	725
<u>\$ 557,432</u>	<u>\$ 132,801</u>	<u>\$ 19,047,949</u>
\$ -	\$ -	\$ 59,193
-	-	71,392
-	-	483,510
180,931	4,867	5,866,780
<u>180,931</u>	<u>4,867</u>	<u>6,480,875</u>
-	-	11,696
376,501	127,934	5,069,572
-	-	7,485,806
<u>376,501</u>	<u>127,934</u>	<u>12,567,074</u>
<u>\$ 557,432</u>	<u>\$ 132,801</u>	<u>\$ 19,047,949</u>

Sunset Ridge School District No. 29
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
For the Year Ended June 30, 2013

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

Total fund balances - governmental funds	\$ 12,567,074
Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds balance sheet.	6,233,913
Certain revenues receivable by the District and recognized in the statement of net position (interest) do not provide current financial resources and are deferred in the governmental funds balance sheet.	8,815
Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not reported in the governmental funds balance sheet.	<u>(2,190,797)</u>
Net position - governmental activities	<u>\$ 16,619,005</u>

The accompanying notes are an integral part of this statement.

Sunset Ridge School District No. 29

Governmental Funds

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

For the Year Ended June 30, 2013

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.
Revenues				
Property taxes	\$ 10,945,677	\$ 96,166	\$ 24,997	\$ 353,251
Replacement taxes	-	114,927	-	-
State aid	2,123,766	-	32,049	-
Federal aid	181,216	-	-	-
Interest	24,428	4	-	2
Other	91,527	40,000	3,610	-
Total revenues	<u>13,366,614</u>	<u>251,097</u>	<u>60,656</u>	<u>353,253</u>
Expenditures				
Current:				
Instruction:				
Regular programs	5,159,841	-	-	105,303
Special programs	1,415,283	-	-	74,460
Other instructional programs	231,861	-	-	6,234
State retirement contributions	1,764,282	-	-	-
Support services:				
Pupils	563,005	-	-	14,144
Instructional staff	42,375	-	-	-
General administration	998,932	-	-	7,431
School administration	549,304	-	-	30,521
Business	841,955	-	-	25,904
Transportation	-	-	62,939	-
Operations and maintenance	3,000	1,005,645	-	34,728
Central	3,247	-	-	-
Community services	15,000	-	-	-
Nonprogrammed charges	652,576	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	6,358	66,667	-	-
Total expenditures	<u>12,247,019</u>	<u>1,072,312</u>	<u>62,939</u>	<u>298,725</u>
Excess (deficiency) of revenues over expenditures	<u>1,119,595</u>	<u>(821,215)</u>	<u>(2,283)</u>	<u>54,528</u>
Other financing sources (uses)				
Transfers in	-	-	-	47,068
Transfers (out)	(77,565)	(216,617)	-	-
Capital lease proceeds	110,570	-	-	-
Total other financing sources (uses)	<u>33,005</u>	<u>(216,617)</u>	<u>-</u>	<u>47,068</u>
Net change in fund balance	<u>1,152,600</u>	<u>(1,037,832)</u>	<u>(2,283)</u>	<u>101,596</u>
Fund balance (deficit), beginning of year	<u>6,350,452</u>	<u>5,415,561</u>	<u>180,356</u>	<u>(97,811)</u>
Fund balance, end of year	<u>\$ 7,503,052</u>	<u>\$ 4,377,729</u>	<u>\$ 178,073</u>	<u>\$ 3,785</u>

The accompanying notes are an integral part of this statement.

Debt Service	Capital Projects	Fire Prevention and Safety	Total
\$ 369,834	\$ -	\$ 9,594	\$ 11,799,519
-	-	-	114,927
-	-	-	2,155,815
-	-	-	181,216
8	-	-	24,442
-	-	-	135,137
<u>369,842</u>	<u>-</u>	<u>9,594</u>	<u>14,411,056</u>
-	-	-	5,265,144
-	-	-	1,489,743
-	-	-	238,095
-	-	-	1,764,282
-	-	-	577,149
-	-	-	42,375
-	-	-	1,006,363
-	-	-	579,825
-	-	-	867,859
-	-	-	62,939
-	-	-	1,043,373
-	-	-	3,247
-	-	-	15,000
-	-	-	652,576
415,277	-	-	415,277
860	-	-	860
-	191,617	69,373	334,015
<u>416,137</u>	<u>191,617</u>	<u>69,373</u>	<u>14,358,122</u>
<u>(46,295)</u>	<u>(191,617)</u>	<u>(59,779)</u>	<u>52,934</u>
55,497	191,617	-	294,182
-	-	-	(294,182)
-	-	-	110,570
<u>55,497</u>	<u>191,617</u>	<u>-</u>	<u>110,570</u>
9,202	-	(59,779)	163,504
<u>367,299</u>	<u>-</u>	<u>187,713</u>	<u>12,403,570</u>
<u>\$ 376,501</u>	<u>\$ -</u>	<u>\$ 127,934</u>	<u>\$ 12,567,074</u>

Sunset Ridge School District No. 29

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

For the Year Ended June 30, 2013

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

Net change in fund balances - total governmental funds	\$ 163,504
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation expense in the current period.	258,706
Certain revenues included in the statement of activities do not provide current financial resources and, therefore, are deferred in the fund statements.	3,746
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.	<u>178,620</u>
Change in net position - governmental activities	<u><u>\$ 604,576</u></u>

The accompanying notes are an integral part of this statement.

Sunset Ridge School District No. 29
Agency Fund
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
June 30, 2013

	Student Activity Fund
<hr/>	
ASSETS	
Cash and investments	\$ <u>49,071</u>
LIABILITIES	
Due to student groups	\$ <u><u>49,071</u></u>

The accompanying notes are an integral part of this statement.

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Sunset Ridge School District No. 29 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

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

1. Reporting Entity

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

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

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

2. New Accounting Pronouncement

The Governmental Accounting Standards Board (GASB) has issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* (GASB 63), which was adopted by the District, as of the fiscal year ended June 30, 2013. In the government-wide financial statements, the District is now required to report five elements on the statement of net position (formerly known as the statement of net assets), assets, deferred outflow of resources, liabilities, deferred inflows of resources, and net position (formerly known as net assets). The types of deferred outflows and inflows of resources to be reported currently consist of service concession arrangements and derivative instruments. As of June 30, 2013, the District has no deferred outflows or deferred inflows of resources.

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Fund Accounting

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

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

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

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

4. Government-Wide and Fund Financial Statements

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

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

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

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

a. General Fund

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

b. Special Revenue Funds

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

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

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

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

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

b. Special Revenue Funds (Continued)

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

c. Debt Service Fund

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

d. Capital Projects Funds

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

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

e. Fiduciary Fund

The Fiduciary (agency) Fund accounts for assets held by the District as an agent for individuals, private organizations, other governments, or other funds.

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

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

6. Budgetary Data

Budgets are adopted on a basis consistent with generally accepted accounting principles, except for the General Fund which does not budget for on-behalf pension payments from the State of Illinois. Annual budgets are adopted at the fund level for the governmental funds. The annual budget is legally enacted and provides for a legal level of control at the fund level. All annual budgets lapse at fiscal year-end.

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. Deposits and Investments

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

8. Personal Property Replacement Taxes

Personal property replacement tax revenues are allocated to funds at the discretion of the District.

9. Prepaid Items

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

10. Capital Assets

Capital assets, which include land, buildings, improvements other than buildings, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated fair value at the date of donation.

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

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

Assets	Years
Buildings	20 - 40
Improvements other than buildings	40
Equipment	5 - 20

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. 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, losses on refunding of bonds and issuance costs, are deferred and amortized over the life of the applicable bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount or loss on refunding. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

12. Use of Estimates

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

13. Fund Balance

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54), the governmental funds report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

- a. *Nonspendable* - includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The nonspendable in form criteria includes items that are not expected to be converted to cash, such as prepaid items or inventories.
- b. *Restricted* - refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, laws and regulations of other governments, or imposed by law through enabling legislation. Special revenue funds are by definition restricted for those specified purposes.

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

13. Fund Balance (Continued)

- c. *Committed* - refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority (the Board of Education). The Board of Education commits fund balances by passing a resolution. Amounts committed cannot be used for any purpose unless the District removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds. At June 30, 2013 the District had no committed fund balances.

- d. *Assigned* - refers to amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted or committed. Intent may be expressed by the Board of Education or the individual the Board of Education delegates the authority to assign amounts to be used for specific purposes. The Board of Education delegated this authority to the Assistant Superintendent of Business and Finance, at June 30, 2013 the District had no assigned fund balances.

- e. *Unassigned* - refers to all spendable amounts not contained in the other four classifications described above. In funds other than the General Fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

Governmental fund balances reported on the fund financial statements at June 30, 2013 are as follows:

The nonspendable fund balance in the General Fund consists of \$11,696 for prepaid items. The restricted fund balance in the General Fund is comprised of \$5,550, representing the remaining unspent portion of the restricted tort immunity levy. The remaining restricted fund balances are for the purpose of the restricted funds as described in Note A-4.

Sunset Ridge School District No. 29
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

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

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

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

General obligation bonds	\$ (2,002,921)
Capital lease	(80,293)
Intergovernmental loan	(100,000)
Other postemployment benefits	<u>(7,583)</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$ (2,190,797)</u>

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

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

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

Capital outlay, net of disposals	\$ (178,568)
Depreciation expense, net of disposals	<u>437,274</u>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position - governmental activities	<u>\$ 258,706</u>

Sunset Ridge School District No. 29
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

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

(Continued)

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

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

Principal repayments		
General obligation bonds	\$	360,000
Capital lease		30,277
Intergovernmental Loan		25,000
Additions		
Capital lease		(110,570)
Other postemployment benefits, net		(1,390)
Accretion on general obligation bonds		<u>(124,697)</u>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position - governmental activities.	\$	<u><u>178,620</u></u>

NOTE C - DEPOSITS AND INVESTMENTS

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

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

District cash and investments (other than the student activity and imprest funds) are held by the Township Treasurer. Cash for all funds, including cash applicable to the Debt Service Fund and the Municipal Retirement/Social Security Fund, is not deemed available for purposes other than those for which these balances are intended.

Sunset Ridge School District No. 29
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

1. Cash and Investments Under the Custody of the Township Treasurer (Continued)

The Treasurer also holds money market type investments and deposits with financial institutions, including certificates of deposit. As of the same date, the fair value of all investments held by the Treasurer's office was \$12,098,000.

At June 30, 2013, the District's cash and investments consisted of the following:

	<u>Governmental</u>	<u>Fiduciary</u>	<u>Total</u>
Cash and investments	\$ <u>12,981,753</u>	\$ <u>49,071</u>	\$ <u>13,030,824</u>

For disclosure purposes, this amount is segregated into two components: 1) deposits with financial institutions, which include amounts held in demand accounts, savings accounts, and nonnegotiable certificates of deposit; and 2) investments in Illinois School District Liquid Asset Fund Money Market Fund, as follows:

	<u>Total</u>
Deposits with financial institutions	\$ 12,201,944
Illinois School District Liquid Asset Fund Plus	<u>828,880</u>
	<u>\$ 13,030,824</u>

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

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

2. Interest Rate Risk

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

3. Cash and Investments in the Custody of the District

At June 30, 2013, the carrying value of the District's student activity funds and imprest funds was \$49,071 and \$3,000, respectively, all of which was deposited with financial institutions.

4. Concentration of Credit Risk

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

With respect to deposits, custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. At June 30, 2013, the bank balance of the District's deposits with financial institutions totaled \$12,203,797.

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE D - PROPERTY TAXES RECEIVABLE

The District must file its tax levy resolution by the last Tuesday, in December, of each year. The tax levy resolution was approved by the Board, on December 4, 2012. The District's property tax is levied each year on all taxable real property located in the District, and becomes a lien on the property on January 1 of that year. The owner of real property on January 1 (the lien date) in any year is liable for taxes of that year.

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

The Illinois Department of Revenue has the statutory responsibility of ensuring uniformity of real property assessments throughout the state. Each year, the Illinois Department of Revenue furnishes the county clerks with an adjustment factor to equalize the level of assessment between counties at one-third of market value. This factor (the equalization factor) is then applied to the assessed valuation to compute the valuation of property to which the tax rate will be applied (the equalized assessed valuation). The equalization factor for Cook County was 2.8056 for 2012.

The County Clerk adds the equalized assessed valuation of all real property in the county to the valuation of property assessed directly by the state (to which the equalization factor is not applied) to arrive at the base amount (the assessment base) used to calculate the annual tax rates, as described above. The equalized assessed valuation for the extension of the 2012 tax levy was \$453,227,558.

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

The portion of the 2012 property tax levy not received by June 30 is recorded as receivable, net of estimated uncollectibles of 1%. The net receivable collected within the current year or due and expected to be collected soon enough thereafter to be used to pay liabilities of the current period, less the taxes collected soon enough after the end of the previous fiscal year, are recognized as revenue. Such time thereafter does not exceed 60 days. Net taxes receivable less the amount expected to be collected within 60 days is reflected as deferred revenue.

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE E - RETIREMENT FUND COMMITMENTS

1. Teachers' Retirement System of the State of Illinois

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

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

TRS members include all active nonannuitants who are employed by a TRS-covered employer to provide services for which teacher certification is required. The active member contribution rate for the year ended June 30, 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.

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 \$1,708,149 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, \$1,479,718 and 23.10 percent, \$1,386,639, respectively.

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE E - RETIREMENT FUND COMMITMENTS (Continued)

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

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

2.2 Formula Contributions

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2013 were \$35,388. Contributions for the years ended June 30, 2012 and June 30, 2011, were \$34,879 and \$34,816, respectively.

Federal and Special Trust Fund Contributions

When TRS members are paid from federal and special trust funds administered by the District, there is a statutory requirement for the District to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that was first effective for the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and 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 years ended June 30, 2012 and 2011, the employer contribution was 24.91 and 23.10 percent, respectively, of salaries paid from federal and special trust funds. For the year ended June 30, 2013, salaries totaling \$11,714 were paid from federal and special trust funds that required employer contributions of \$3,286. For the years ended June 30, 2012 and June 30, 2011, required District contributions were \$18,265 and \$16,881, respectively.

Early Retirement Option (ERO)

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

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

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE E - RETIREMENT FUND COMMITMENTS (Continued)

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

Early Retirement Option (ERO) (Continued)

For the year ended June 30, 2013, the District paid \$0 to TRS for employer contributions under the ERO program, however, the District accrued \$248,181 which will be paid during the year ending June 30, 2014. For the years ended June 30, 2012 and June 30, 2011, the District paid \$0 and \$0, respectively, in employer ERO contributions.

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 \$0 to TRS for employer contributions due on salary increases in excess of 6 percent, however, the District accrued \$25,329 which will be paid during the year ending June 30, 2014. For the years ended June 30, 2012 and June 30, 2011, the District paid \$0 and \$0, respectively, to TRS for employer contributions due on salary increases in excess of 6 percent.

If an employer grants sick leave days in excess of the normal annual allotment and those days are used as TRS service credit, the employer makes a contribution to TRS. The contribution is based on the number of excess sick leave days used as service credit, the highest salary rate reported by the granting employer during a four-year sick leave review period, 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 \$0 to TRS for sick leave days granted in excess of the normal annual allotment. For the years ended June 30, 2012 and June 30, 2011, the District paid \$0 and \$0, respectively, in employer contributions granted for sick leave days.

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE E - RETIREMENT FUND COMMITMENTS (Continued)

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

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, 2815 West Washington Street, P.O. Box 19253, Springfield, IL 62794-9253. The most current report is also available on the TRS Web site at <http://trs.illinois.gov>.

THIS Fund Employer Contributions

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

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

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

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE E - RETIREMENT FUND COMMITMENTS (Continued)

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

THIS Fund Employer Contributions (Continued)

On-behalf Contributions to the THIS Fund

The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members, which were 0.92 percent of pay during the year ended June 30, 2013. State of Illinois contributions were \$56,133, and the District recognized revenue and expenditures of this amount during the year.

State contributions intended to match active member contributions during the years ended June 30, 2012 and June 30, 2011 were 0.88, both years. State contributions on behalf of District employees were \$52,920 and \$52,824, respectively.

Employer Contributions to the THIS Fund

The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.69 percent during the year ended June 30, 2013 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 \$42,099 to the THIS Fund. For the years ended June 30, 2012 and June 30, 2011, the District paid \$39,690 and \$39,618, respectively, to the THIS Fund, which was 100 percent of the required contribution.

Further Information on the THIS Fund

The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General: <http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp>. The 2013 report is listed under "Central Management Services." Prior reports are available under "Healthcare and Family Services."

Sunset Ridge School District No. 29
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE E - RETIREMENT FUND COMMITMENTS (Continued)

2. Illinois Municipal Retirement Fund

Plan Description

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

Funding Policy

As set by state statute, the District's regular plan members are required to contribute 4.5 percent of their annual covered salary. The statute requires the District to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District annual required contribution rate for calendar year 2012 was 8.89 percent. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by state statute.

Annual Pension Cost

For fiscal year ending June 30, 2013, the District's actual contributions for pension cost for the regular plan was \$121,139. The required contribution for the fiscal year 2013 was \$121,139.

Three-Year Trend Information for the Regular Plan				
Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	\$	Net Pension Obligation
6/30/13	\$ 121,139	100%	\$	-
6/30/12	123,093	100%		-
6/30/11	121,279	97%		-

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE E - RETIREMENT FUND COMMITMENTS (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Annual Pension Cost (Continued)

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 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 10 percent per year depending on age and service, attributable to seniority/merit, and (d) postretirement benefit increases of 3 percent annually. The actuarial value of the District's regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20 percent corridor between the actuarial value and market value of assets. The District's regular plan's unfunded actuarial accrued liability at December 31, 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 90.26 percent funded. The actuarial accrued liability for benefits was \$2,630,468 and the actuarial value of assets was \$2,374,277, resulting in an underfunded actuarial accrued liability (UAAL) of \$256,191. The covered payroll for calendar year 2012 (annual payroll of active employees covered by the plan) was \$1,327,987 and the ratio of the UAAL to the covered payroll was 19 percent.

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

3. Social Security/Medicare

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

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE F - OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The District participates in the EBC Cooperative defined benefit healthcare plan ("the Retiree Health Plan"). Retirees have the option of choosing from an HMO or PPO plan through the District. The District's plan provides the ability for retired administrators and IMRF retirees and their spouses to access the District's group health insurance plan during retirement, provided they are on the group health insurance plan at the time of retirement. A retiree can access the District's group health insurance plan until the age of 65, according to state statute. IMRF retirees are responsible for contributing 100% of the premium cost of their insurance. For 2013, 2 former employees or spouses accessed a postemployment benefit through the District.

Funding Policy

The District funds 100% of the insurance costs for a retired administrator, while all others are funded on a "direct pay" basis. For fiscal year 2013, the District contributed \$5,228 toward the cost of the postemployment benefits for retirees.

Annual OPEB Cost and Net OPEB Obligation

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

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE F - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Annual OPEB Cost and Net OPEB Obligation (Continued)

	<u>June 30, 2013</u>
Annual required contribution	\$ 6,576
Interest on net OPEB obligation	248
Adjustment to annual required contribution	<u>(206)</u>
Annual OPEB cost	6,618
Contributions made	<u>(5,228)</u>
Increase in net OPEB obligation	1,390
Net OPEB obligation beginning of year	<u>6,193</u>
Net OPEB obligation end of year	<u>\$ 7,583</u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2013 and the two preceding fiscal years were as follows:

<u>Actuarial Valuation Date</u>	<u>Annual OPEB Cost</u>	<u>Percentage Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/13	\$ 6,618	79.0%	\$ 7,583
6/30/12	6,655	78.6%	6,193
6/30/11	6,647	49.7%	4,766

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE F - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Funding Status and Funding Progress

As of June 30, 2013, the actuarial accrued liability for benefits was \$69,927, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) and the ratio of the unfunded actuarial accrued liability to the covered payroll were not available.

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

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

Methods and Assumptions

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

Sunset Ridge School District No. 29
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE F - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Methods and Assumptions (Continued)

The following simplifying assumptions were made:

Contribution rates:	
District	Not applicable
Plan members	0%
Actuarial valuation date	June 30, 2013
Actuarial cost method	Entry age
Amortization period	Level percentage of pay, open
Remaining amortization period	30 years
Asset valuation method	Market
Actuarial assumptions:	
Investment rate of return*	4.00%
Projected salary increases	4.00%
Healthcare inflation rate	8.00% initial 6.00% ultimate (0.5% reduction per year)
Mortality, Turnover, Disability, Retirement ages	Same rates utilized for IMRF
Percentage of active employees assumed to elect benefit	20%
Employer provided benefit	Explicit (current retiree only): 100% of Premium to age 65 Implicit: 40% of premium to age 65 (50% of \$609/mo + 50% of \$1,327/mo)

*Includes inflation at 3.00%

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE G - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2013 was as follows:

	<u>Beginning Balance</u>	<u>Additions/ Transfers</u>	<u>Deletions/ Transfers</u>	<u>Ending Balance</u>
Capital assets, not being depreciated				
Land	\$ 76,885	\$ -	\$ -	\$ 76,885
Capital assets, being depreciated				
Buildings	10,094,473	1,955,095	-	12,049,568
Improvements other than buildings	2,275,832	-	1,770,105	505,727
Equipment	2,666,837	255,163	618,721	2,303,279
Total capital assets being depreciated	<u>15,037,142</u>	<u>2,210,258</u>	<u>2,388,826</u>	<u>14,858,574</u>
Less accumulated depreciation for:				
Buildings	6,104,197	437,640	-	6,541,837
Improvements other than buildings	483,794	28,950	99,251	413,493
Equipment	2,550,829	87,664	892,277	1,746,216
Total accumulated depreciation	<u>9,138,820</u>	<u>554,254</u>	<u>991,528</u>	<u>8,701,546</u>
Total capital assets being depreciated, net	<u>5,898,322</u>	<u>1,656,004</u>	<u>1,397,298</u>	<u>6,157,028</u>
Governmental activities capital assets, net	<u>\$ 5,975,207</u>	<u>\$ 1,656,004</u>	<u>\$ 1,397,298</u>	<u>\$ 6,233,913</u>

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

Governmental activities	
Regular programs	\$ 83,130
Special programs	17,815
Instructional staff	34,684
General administration	4,750
School administration	4,750
Business	2,374
Operations and maintenance	<u>332,060</u>
	<u>\$ 479,563</u>

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE G - CAPITAL ASSETS (Continued)

During the current year, the District engaged a third party company to take an inventory of the District's capital assets. As a result of this inventory, various transfers were made between the different capital asset categories. These transfers are reflected in the current year additions, deletions and depreciation expense.

NOTE H - CURRENT LIABILITIES

The District accrued \$210,000, as of June 30, 2013, for post-retirement payments due to the Superintendent who retired, effective June 30, 2013. In addition, the District also accrued \$273,510 for payments owed to TRS for early retirement option payments (\$248,181) and excess salary payments (\$25,329) related to the retirement of the Assistant Superintendent of Business and Finance, as is discussed in Note E.

NOTE I - LONG-TERM LIABILITIES

The following is the long-term liability activity, for the District, for the year ended June 30, 2013.

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions/</u> <u>Accretion</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2013</u>
General obligation bonds	\$ 2,238,224	\$ 124,697	\$ 360,000	\$ 2,002,921
Intergovernmental loan	125,000	-	25,000	100,000
Capital lease	-	110,570	30,277	80,293
Other postemployment benefits	<u>6,193</u>	<u>6,618</u>	<u>5,228</u>	<u>7,583</u>
 Total long-term liabilities	 <u>\$ 2,369,417</u>	 <u>\$ 241,885</u>	 <u>\$ 420,505</u>	 <u>\$ 2,190,797</u>
 Due within one year:				
General obligation bonds	\$ 360,000			
Intergovernmental loan	25,000			
Capital lease	<u>35,270</u>			
	 <u>\$ 420,270</u>			

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE I - LONG-TERM LIABILITIES (Continued)

1. General Obligation Bonds Payable (Continued)

The summary of activity in bonds payable, for the year ended June 30, 2013, is as follows:

	Bonds Payable July 1, 2012	Accretion	Debt Retired	Bonds Payable June 30, 2013
Capital Appreciation Bonds, dated February 8, 2000, due December 2019, interest at 5.35% to 6.125%	\$ 2,238,224	\$ 124,697	\$ 360,000	\$ 2,002,921
	\$ 2,238,224	\$ 124,697	\$ 360,000	\$ 2,002,921

The face amount of the bonds payable at June 30, 2013 is as follows:

	Face Amount	Carrying Amount
Capital appreciation bonds - dated February 8, 2000	\$ 2,505,000	\$ 2,002,921
	\$ 2,505,000	\$ 2,002,921

At June 30, 2013, the District's future cash flow requirements for retirement of bond principal were as follows:

Year Ending June 30	Principal
2014	\$ 360,000
2015	360,000
2016	360,000
2017	360,000
2018	-
2019-2020	1,065,000
Total	\$ 2,505,000

These payments will be made from amounts budgeted from the debt service tax levies in future periods. There is \$376,501 in the Debt Service Fund to service the outstanding bonds payable.

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE I - LONG-TERM LIABILITIES (Continued)

1. General Obligation Bonds Payable (Continued)

The District is subject to the Illinois School Code, which limits the bond indebtedness 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 \$31,272,702, of which \$29,089,488 is fully available.

2. Intergovernmental Loan

In fiscal year 1998, the District entered into a \$500,000 financial agreement with the Village of Northfield to pay the costs of the addition at Middlefork for the Northfield Community Center. The loan is noninterest-bearing and will be repaid over a twenty-year period, with \$25,000 payments made each year. For the year ended June 30, 2013, the District made a payment of \$25,000. The intergovernmental loan will be repaid from the Debt Service Fund with funding provided by the Operations and Maintenance Fund. At June 30, 2013, there was \$100,000 outstanding on this intergovernmental loan.

3. Capital Lease

The District entered into a lease agreement dated July 9, 2012 for the acquisition of computers totaling \$82,810. The lease expires on July 15, 2015 and is payable annually at \$28,838. The District also entered into a capital lease agreement dated April 28, 2013 for the acquisition of copiers totaling \$27,760. The lease expires on April 28, 2016 and is payable monthly at \$830. The obligations will be paid from the Debt Service Fund with funding provided by the General Fund.

Year Ending June 30	Principal	Interest	Total
2014	\$ 35,270	\$ 3,525	\$ 38,795
2015	36,906	1,889	38,795
2016	8,117	180	8,297
Total	\$ 80,293	\$ 5,594	\$ 85,887

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE J - OPERATING LEASES

The District leases office equipment under noncancelable operating leases. Total costs for such leases were \$16,840 for the year ended June 30, 2013. At June 30, 2013, future minimum lease payments for these leases are as follows:

<u>Year Ending</u> <u>June 30</u>	<u>Total</u>
2014	\$ <u><u>3,689</u></u>

NOTE K - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The District purchases coverage against such risks and participates in the following public entity risk pool: the Collective Liability Insurance Cooperative (CLIC) for property damage, injury claims, and worker's compensation claims. The District pays annual premiums to the pool for insurance coverage. The arrangements with the pool provide that the pool will be self-sustaining through member premiums, and will reinsure through commercial companies for claims in excess of certain levels established by the pool. Settled claims have not exceeded coverage for the past three years.

The District continues to carry commercial insurance for all other risks of loss, including torts and professional liability insurance. Settled claims have not exceeded commercial insurance coverage for the past three fiscal years.

NOTE L - JOINT AGREEMENTS

The District is a member of the North Suburban Special Education District (NSSSED), a joint agreement that provides certain special education services to residents of many school districts. It is also a member of the risk management pool described in Note K. The District believes that, because it does not control the selection of the governing authority, and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing board, they are not required to be included as component units of the District.

Sunset Ridge School District No. 29
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

NOTE M - INTERFUND TRANSFERS

The District transferred \$191,617 from the Operations and Maintenance Fund to the Capital Projects Fund. This transfer represents funds transferred to pay for capital improvements.

The District also transferred \$25,000 from the Operations and Maintenance Fund to the Debt Service Fund. This transfer represents funds transferred to pay the principal of the District's Intergovernmental Loan.

The District also transferred \$47,068 from the Working Cash Fund to the Municipal Retirement/Social Security Fund. This transfer represents a working cash abatement.

The District also transferred \$30,277 and \$220, respectively, from the General Fund to the Debt Service Fund. This transfer represents funds transferred to pay principal and interest, respectively, on capital leases.

NOTE N - CONTINGENCIES

1. Litigation

The District is not involved in any significant litigation that would materially affect the balances reported at June 30, 2013. With regard to other pending matters, the eventual outcome and related liability, if any, is not determinable at this time. No provision has been made in the accompanying financial statements for settlement costs.

2. Grants

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

NOTE O - SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 21, 2013, the date that these financial statements were available to be issued. Management has determined that no events or transactions have occurred subsequent to the statement of position date that require disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

Sunset Ridge School District No. 29
 SCHEDULE OF FUNDING PROGRESS
 ILLINOIS MUNICIPAL RETIREMENT FUND
June 30, 2013

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll [(2)-(1)]/(5)
12/31/12	\$ 2,374,277	\$ 2,630,468	90.26 %	\$ 256,191	\$ 1,327,987	19.29 %
12/31/11	2,334,119	2,500,630	93.34	166,511	1,321,004	12.60
12/31/10	2,096,707	2,207,736	94.97	111,029	1,398,161	7.94

On a market value basis, the actuarial value of assets as of December 31, 2012 is \$2,445,840. On a market basis, the funded ratio would be 92.98%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with Sunset Ridge School District 29. They do not include amounts for the retirees. The actuarial accrued liability for retirees is 100% funded.

Sunset Ridge School District No. 29

SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFITS

June 30, 2013

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll [(2)-(1)]/(5)
6/30/2013	\$ -	\$ 69,927	0.00	% \$ 69,927	\$ NA	NA %
6/30/2012*	-	44,827	0.00	44,827	NA	NA
6/30/2011*	-	44,827	0.00	44,827	NA	NA

* Results from prior year

Sunset Ridge School District No. 29

General Fund - Budgetary Basis

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

For the Year Ended June 30, 2013

With Comparative Actual Amounts for the Year Ended June 30, 2012

	2013		Variance From Final Budget	2012 Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
General levy	\$ 11,027,051	\$ 10,945,677	\$ (81,374)	\$ 9,832,022
Interest on investments	20,100	24,428	4,328	33,620
Fees	7,500	7,142	(358)	7,945
Contributions and donations from private sources	20,000	75,428	55,428	27,866
Refund of prior years' expenditures	-	6,457	6,457	114
Other	-	2,500	2,500	-
Total local sources	<u>11,074,651</u>	<u>11,061,632</u>	<u>(13,019)</u>	<u>9,901,567</u>
State sources				
General State Aid	100,686	100,699	13	109,577
Special Education - Extraordinary	58,861	58,861	-	68,273
Special Education - Personnel	150,000	193,940	43,940	199,448
Special Education - Summer School	-	-	-	374
Bilingual Ed. - Downstate - T.P.I. and T.P.E.	6,680	5,921	(759)	5,933
State Free Lunch and Breakfast	-	63	63	28
Total state sources	<u>316,227</u>	<u>359,484</u>	<u>43,257</u>	<u>383,633</u>
Federal sources				
Special Milk Program	4,000	3,670	(330)	4,999
Title I - Low Income	48,525	48,425	(100)	41,733
Fed. - Sp. Ed. - I.D.E.A. - Flow Through	106,317	101,508	(4,809)	95,919
ARRA IDEA - Part B - Preschool	713	-	(713)	386
Other ARRA Funds - XI	-	-	-	10,269
Title II - Teacher Quality	14,526	14,526	-	14,143
Other federal sources	-	13,087	13,087	-
Total federal sources	<u>174,081</u>	<u>181,216</u>	<u>7,135</u>	<u>167,449</u>
Total revenues	<u>11,564,959</u>	<u>11,602,332</u>	<u>37,373</u>	<u>10,452,649</u>

(Continued)

Sunset Ridge School District No. 29
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2013
 With Comparative Actual Amounts for the Year Ended June 30, 2012

	2013		Variance From Final Budget	2012 Actual
	Original and Final Budget	Actual		
Expenditures				
Instruction				
Regular programs				
Salaries	\$ 4,085,078	\$ 3,995,701	\$ 89,377	\$ 3,994,742
Employee benefits	741,518	603,077	138,441	614,059
Purchased services	152,139	111,699	40,440	101,945
Supplies and materials	202,082	27,857	174,225	160,362
Non-capitalized equipment	416,030	421,507	(5,477)	288,224
Total	<u>5,596,847</u>	<u>5,159,841</u>	<u>437,006</u>	<u>5,159,332</u>
Special education programs				
Salaries	1,202,971	1,136,682	66,289	1,126,514
Employee benefits	277,193	186,905	90,288	198,332
Purchased services	20,000	15,187	4,813	14,063
Supplies and materials	12,813	6,469	6,344	2,627
Total	<u>1,512,977</u>	<u>1,345,243</u>	<u>167,734</u>	<u>1,341,536</u>
Remedial and Supplemental programs K-12				
Salaries	-	50,890	(50,890)	34,176
Employee benefits	-	19,070	(19,070)	12,511
Supplies and materials	-	80	(80)	532
Total	<u>-</u>	<u>70,040</u>	<u>(70,040)</u>	<u>47,219</u>

(Continued)

Sunset Ridge School District No. 29

General Fund - Budgetary Basis

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

For the Year Ended June 30, 2013

With Comparative Actual Amounts for the Year Ended June 30, 2012

	2013		Variance From Final Budget	2012 Actual
	Original and Final Budget	Actual		
Gifted programs				
Salaries	\$ 113,551	\$ 113,551	\$ -	\$ 106,831
Employee benefits	17,342	16,168	1,174	15,638
Purchased services	525	-	525	131
Supplies and materials	<u>2,100</u>	<u>437</u>	<u>1,663</u>	<u>528</u>
Total	<u>133,518</u>	<u>130,156</u>	<u>3,362</u>	<u>123,128</u>
Bilingual programs				
Salaries	80,241	80,241	-	62,699
Employee benefits	17,279	21,464	(4,185)	13,357
Supplies and materials	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>234</u>
Total	<u>98,520</u>	<u>101,705</u>	<u>(3,185)</u>	<u>76,290</u>
Total instruction	<u>7,341,862</u>	<u>6,806,985</u>	<u>534,877</u>	<u>6,747,505</u>
Support services				
Pupils				
Attendance and social work services				
Salaries	99,628	99,628	-	93,989
Employee benefits	26,852	11,837	15,015	16,888
Supplies and materials	<u>1,100</u>	<u>110</u>	<u>990</u>	<u>280</u>
Total	<u>127,580</u>	<u>111,575</u>	<u>16,005</u>	<u>111,157</u>
Guidance services				
Salaries	51,805	51,805	-	50,053
Employee benefits	<u>2,000</u>	<u>1,862</u>	<u>138</u>	<u>1,760</u>
Total	<u>53,805</u>	<u>53,667</u>	<u>138</u>	<u>51,813</u>

(Continued)

Sunset Ridge School District No. 29

General Fund - Budgetary Basis

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

For the Year Ended June 30, 2013

With Comparative Actual Amounts for the Year Ended June 30, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Health services				
Salaries	\$ 98,500	\$ 96,900	\$ 1,600	\$ 94,533
Employee benefits	24,267	24,438	(171)	23,479
Purchased services	3,000	2,713	287	2,831
Supplies and materials	<u>5,200</u>	<u>4,355</u>	<u>845</u>	<u>4,403</u>
Total	<u>130,967</u>	<u>128,406</u>	<u>2,561</u>	<u>125,246</u>
Psychological services				
Salaries	95,957	91,208	4,749	83,389
Employee benefits	<u>17,533</u>	<u>10,025</u>	<u>7,508</u>	<u>13,647</u>
Total	<u>113,490</u>	<u>101,233</u>	<u>12,257</u>	<u>97,036</u>
Speech pathology and audiology services				
Salaries	164,171	152,457	11,714	109,685
Employee benefits	<u>9,402</u>	<u>15,667</u>	<u>(6,265)</u>	<u>14,229</u>
Total	<u>173,573</u>	<u>168,124</u>	<u>5,449</u>	<u>123,914</u>
Total pupils	<u>599,415</u>	<u>563,005</u>	<u>36,410</u>	<u>509,166</u>
Instructional staff				
Improvement of instruction services				
Salaries	55,200	-	55,200	-
Purchased services	1,498	27,745	(26,247)	19,244
Supplies and materials	<u>2,080</u>	<u>5,616</u>	<u>(3,536)</u>	<u>6,204</u>
Total	<u>58,778</u>	<u>33,361</u>	<u>25,417</u>	<u>25,448</u>

(Continued)

Sunset Ridge School District No. 29

General Fund - Budgetary Basis

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

For the Year Ended June 30, 2013

With Comparative Actual Amounts for the Year Ended June 30, 2012

	2013		Variance From Final Budget	2012 Actual
	Original and Final Budget	Actual		
Assessment and testing				
Supplies and materials	\$ 10,840	\$ 9,014	\$ 1,826	\$ 10,749
Total	10,840	9,014	1,826	10,749
Total instructional staff	69,618	42,375	27,243	36,197
General administration				
Board of education services				
Employee benefits	-	32	(32)	-
Purchased services	102,960	86,265	16,695	81,016
Other objects	62,179	73,499	(11,320)	52,904
Total	165,139	159,796	5,343	133,920
Executive administration services				
Salaries	309,536	309,535	1	292,015
Employee benefits	11,524	167,491	(155,967)	7,293
Purchased services	-	-	-	1,576
Supplies and materials	-	-	-	231
Other objects	-	-	-	2,480
Termination benefits	-	50,000	(50,000)	-
Total	321,060	527,026	(205,966)	303,595
Special area administrative services				
Salaries	200,585	200,585	-	188,011
Employee benefits	22,112	23,502	(1,390)	22,200
Total	222,697	224,087	(1,390)	210,211

(Continued)

Sunset Ridge School District No. 29

General Fund - Budgetary Basis

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

For the Year Ended June 30, 2013

With Comparative Actual Amounts for the Year Ended June 30, 2012

	2013		Variance From Final Budget	2012 Actual
	Original and Final Budget	Actual		
Tort immunity services				
Purchased services	\$ 90,603	\$ 88,024	\$ 2,579	\$ 74,126
Total	<u>90,603</u>	<u>88,024</u>	<u>2,579</u>	<u>74,126</u>
Total general administration	<u>799,499</u>	<u>998,933</u>	<u>(199,434)</u>	<u>721,852</u>
School administration				
Office of the principal services				
Salaries	493,036	491,314	1,722	605,751
Employee benefits	83,216	54,567	28,649	71,018
Purchased services	9,925	1,709	8,216	4,102
Supplies and materials	750	1,068	(318)	797
Other objects	<u>2,000</u>	<u>646</u>	<u>1,354</u>	<u>603</u>
Total	<u>588,927</u>	<u>549,304</u>	<u>39,623</u>	<u>682,271</u>
Total school administration	<u>588,927</u>	<u>549,304</u>	<u>39,623</u>	<u>682,271</u>
Business				
Direction of business support services				
Salaries	224,748	224,748	-	224,599
Employee benefits	<u>22,607</u>	<u>297,136</u>	<u>(274,529)</u>	<u>22,928</u>
Total	<u>247,355</u>	<u>521,884</u>	<u>(274,529)</u>	<u>247,527</u>
Fiscal services				
Salaries	136,440	136,440	-	131,212
Employee benefits	21,853	10,346	11,507	13,765
Purchased services	40,317	25,628	14,689	29,437
Supplies and materials	<u>43,264</u>	<u>139,155</u>	<u>(95,891)</u>	<u>39,497</u>
Total	<u>241,874</u>	<u>311,569</u>	<u>(69,695)</u>	<u>213,911</u>

(Continued)

Sunset Ridge School District No. 29

General Fund - Budgetary Basis

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

For the Year Ended June 30, 2013

With Comparative Actual Amounts for the Year Ended June 30, 2012

	2013		Variance From Final Budget	2012 Actual
	Original and Final Budget	Actual		
Operation and maintenance of plant services				
Purchased services	\$ 3,120	\$ 3,000	\$ 120	\$ 3,000
Total	<u>3,120</u>	<u>3,000</u>	<u>120</u>	<u>3,000</u>
Food services				
Supplies and materials	-	1,732	(1,732)	-
Capital outlay	-	6,358	(6,358)	-
Other objects	7,280	6,770	510	7,375
Total	<u>7,280</u>	<u>14,860</u>	<u>(7,580)</u>	<u>7,375</u>
Total business	<u>499,629</u>	<u>851,313</u>	<u>(351,684)</u>	<u>471,813</u>
Central				
Planning, research, development and evaluation services				
Purchased services	10,400	-	10,400	-
Total	<u>10,400</u>	<u>-</u>	<u>10,400</u>	<u>-</u>
Information services				
Purchased services	-	3,247	(3,247)	2,565
Total	<u>-</u>	<u>3,247</u>	<u>(3,247)</u>	<u>2,565</u>
Total central	<u>10,400</u>	<u>3,247</u>	<u>7,153</u>	<u>2,565</u>
Total support services	<u>2,567,488</u>	<u>3,008,177</u>	<u>(440,689)</u>	<u>2,423,864</u>

(Continued)

Sunset Ridge School District No. 29

General Fund - Budgetary Basis

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

For the Year Ended June 30, 2013

With Comparative Actual Amounts for the Year Ended June 30, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Community services				
Salaries	\$ -	\$ 11,714	\$ (11,714)	\$ -
Employee benefits	-	3,286	(3,286)	-
Total	-	15,000	(15,000)	-
Payments to Other Districts and Gov't Units				
Purchased services	35,000	83,020	(48,020)	32,914
Other objects	740,000	569,555	170,445	576,857
Total	775,000	652,575	122,425	609,771
Total expenditures	10,684,350	10,482,737	201,613	9,781,140
Excess of revenues over expenditures	880,609	1,119,595	238,986	671,509
Other financing sources (uses)				
Proceeds from Cap Leases	-	110,570	110,570	-
Other sources	40,000	-	(40,000)	-
Permanent transfer of working cash fund abatement	-	(47,068)	(47,068)	-
Trans to Debt Svc Fund for Prin on Cap Leases	-	(30,277)	(30,277)	-
Trans to Debt Svc Fund for Int on Cap Leases	-	(220)	(220)	-
Total other financing sources (uses)	40,000	33,005	(6,995)	-
Net change to fund balance	\$ 920,609	1,152,600	\$ 231,991	671,509
Fund balance, beginning of year		6,350,452		5,678,943
Fund balance, end of year		\$ 7,503,052		\$ 6,350,452

(Concluded)

Sunset Ridge School District No. 29
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2013
With Comparative Actual Amounts for the Year Ended June 30, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Revenues				
Local sources				
General levy	\$ 247,102	\$ 96,166	\$ (150,936)	\$ 1,064,458
Corporate personal property replacement taxes	105,718	114,927	9,209	112,481
Interest on investments	100	4	(96)	-
Rentals	40,000	40,000	-	34,650
Refund of prior years' expenditures	-	-	-	10,176
Total local sources	<u>392,920</u>	<u>251,097</u>	<u>(141,823)</u>	<u>1,221,765</u>
Total revenues	<u>392,920</u>	<u>251,097</u>	<u>(141,823)</u>	<u>1,221,765</u>
Expenditures				
Support services				
Business				
Facilities acquisition and construction services				
Capital outlay	-	-	-	39,350
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,350</u>

(Continued)

Sunset Ridge School District No. 29
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2013
With Comparative Actual Amounts for the Year Ended June 30, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Operation and maintenance of plant services				
Salaries	\$ 218,536	\$ 218,747	\$ (211)	\$ 215,155
Employee benefits	40,910	36,742	4,168	33,427
Purchased services	801,639	701,734	99,905	722,469
Supplies and materials	30,515	30,292	223	31,366
Capital outlay	77,290	66,667	10,623	-
Non-capitalized equipment	<u>24,000</u>	<u>18,130</u>	<u>5,870</u>	<u>22,973</u>
 Total	 <u>1,192,890</u>	 <u>1,072,312</u>	 <u>120,578</u>	 <u>1,025,390</u>
 Total business	 <u>1,192,890</u>	 <u>1,072,312</u>	 <u>120,578</u>	 <u>1,064,740</u>
 Total support services	 <u>1,192,890</u>	 <u>1,072,312</u>	 <u>120,578</u>	 <u>1,064,740</u>
 Total expenditures	 <u>1,192,890</u>	 <u>1,072,312</u>	 <u>120,578</u>	 <u>1,064,740</u>
 Excess (deficiency) of revenues over expenditures	 <u>(799,970)</u>	 <u>(821,215)</u>	 <u>(21,245)</u>	 <u>157,025</u>
 Other financing uses				
Transfer to capital projects fund	(105,522)	(191,617)	(86,095)	(1,231,472)
Other uses not classified elsewhere	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>	<u>(25,000)</u>
 Total other financing uses	 <u>(130,522)</u>	 <u>(216,617)</u>	 <u>(86,095)</u>	 <u>(1,256,472)</u>
 Net change in fund balance	 <u>\$ (930,492)</u>	 (1,037,832)	 <u>\$ (107,340)</u>	 (1,099,447)
 Fund balance, beginning of year		 <u>5,415,561</u>		 <u>6,515,008</u>
 Fund balance, end of year		 <u>\$ 4,377,729</u>		 <u>\$ 5,415,561</u>

(Concluded)

Sunset Ridge School District No. 29

Transportation Fund

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

For the Year Ended June 30, 2013

With Comparative Actual Amounts for the Year Ended June 30, 2012

	2013		Variance From Final Budget	2012 Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
General levy	\$ 24,830	\$ 24,997	\$ 167	\$ 34,537
Contributions and donations from private sources	-	-	-	5,000
Refund of prior years' expenditures	-	<u>3,610</u>	<u>3,610</u>	<u>-</u>
Total local sources	<u>24,830</u>	<u>28,607</u>	<u>3,777</u>	<u>39,537</u>
State sources				
Transportation - Special Education	<u>20,000</u>	<u>32,049</u>	<u>12,049</u>	<u>39,767</u>
Total state sources	<u>20,000</u>	<u>32,049</u>	<u>12,049</u>	<u>39,767</u>
Total revenues	<u>44,830</u>	<u>60,656</u>	<u>15,826</u>	<u>79,304</u>
Expenditures				
Support services				
Business				
Pupil transportation services				
Purchased services	<u>96,240</u>	<u>62,939</u>	<u>33,301</u>	<u>84,385</u>
Total support services	<u>96,240</u>	<u>62,939</u>	<u>33,301</u>	<u>84,385</u>
Total expenditures	<u>96,240</u>	<u>62,939</u>	<u>33,301</u>	<u>84,385</u>
Deficiency of revenues over expenditures	<u>\$ (51,410)</u>	(2,283)	<u>\$ 49,127</u>	(5,081)
Fund balance, beginning of year		<u>180,356</u>		<u>185,437</u>
Fund balance, end of year		<u>\$ 178,073</u>		<u>\$ 180,356</u>

Sunset Ridge School District No. 29
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (DEFICIT) - BUDGET AND ACTUAL
For the Year Ended June 30, 2013
With Comparative Actual Amounts for the Year Ended June 30, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Revenues				
Local sources				
General levy	\$ 155,650	\$ 176,660	\$ 21,010	\$ 125,043
Social security/medicare only levy	155,650	176,591	20,941	124,838
Interest on investments	<u>-</u>	<u>2</u>	<u>2</u>	<u>19</u>
Total local sources	<u>311,300</u>	<u>353,253</u>	<u>41,953</u>	<u>249,900</u>
Total revenues	<u>311,300</u>	<u>353,253</u>	<u>41,953</u>	<u>249,900</u>
Expenditures				
Instruction				
Regular programs	107,640	105,303	2,337	104,000
Special education programs	73,048	73,502	(454)	70,776
Special education programs pre-K	-	375	(375)	-
Remedial and supplemental programs K-12	592	583	9	374
Gifted programs	1,501	1,547	(46)	1,450
Bilingual programs	<u>2,588</u>	<u>4,687</u>	<u>(2,099)</u>	<u>2,465</u>
Total instruction	<u>185,369</u>	<u>185,997</u>	<u>(628)</u>	<u>179,065</u>

(Continued)

Sunset Ridge School District No. 29
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (DEFICIT) - BUDGET AND ACTUAL
For the Year Ended June 30, 2013
With Comparative Actual Amounts for the Year Ended June 30, 2012

	2013		Variance From Final Budget	2012 Actual
	Original and Final Budget	Actual		
Support services				
Pupils				
Attendance and social work services	\$ 1,353	\$ 1,436	\$ (83)	\$ 1,354
Guidance services	751	751	-	726
Health services	8,449	8,326	123	8,164
Psychological services	1,204	1,284	(80)	1,163
Speech pathology and audiology services	<u>1,641</u>	<u>2,347</u>	<u>(706)</u>	<u>1,585</u>
Total pupils	<u>13,398</u>	<u>14,144</u>	<u>(746)</u>	<u>12,992</u>
General administration				
Executive administration services	4,503	4,596	(93)	4,350
Special area administrative services	<u>2,777</u>	<u>2,835</u>	<u>(58)</u>	<u>2,683</u>
Total general administration	<u>7,280</u>	<u>7,431</u>	<u>(151)</u>	<u>7,033</u>
School administration				
Office of the principal services	<u>34,633</u>	<u>30,521</u>	<u>4,112</u>	<u>33,462</u>
Total school administration	<u>34,633</u>	<u>30,521</u>	<u>4,112</u>	<u>33,462</u>
Business				
Direction of business support services	3,286	3,221	65	3,175
Fiscal services	22,177	22,683	(506)	21,427
Operation and maintenance of plant services	<u>35,017</u>	<u>34,728</u>	<u>289</u>	<u>33,833</u>
Total business	<u>60,480</u>	<u>60,632</u>	<u>(152)</u>	<u>58,435</u>
Total support services	<u>115,791</u>	<u>112,728</u>	<u>3,063</u>	<u>111,922</u>
Total expenditures	<u>301,160</u>	<u>298,725</u>	<u>2,435</u>	<u>290,987</u>

(Continued)

Sunset Ridge School District No. 29
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (DEFICIT) - BUDGET AND ACTUAL
For the Year Ended June 30, 2013
With Comparative Actual Amounts for the Year Ended June 30, 2012

	2013		Variance From Final Budget	2012 Actual
	Original and Final Budget	Actual		
Excess (deficiency) of revenues over expenditures	\$ 10,140	\$ 54,528	\$ 44,388	\$ (41,087)
Other financing sources				
Permanent transfer from working cash fund - abatement	<u>87,671</u>	<u>47,068</u>	<u>40,603</u>	<u>-</u>
Total other financing sources	<u>87,671</u>	<u>47,068</u>	<u>40,603</u>	<u>-</u>
Net change in fund balance	<u>\$ 97,811</u>	101,596	<u>\$ 84,991</u>	(41,087)
Fund deficit, beginning of year		<u>(97,811)</u>		<u>(56,724)</u>
Fund balance (deficit), end of year		<u>\$ 3,785</u>		<u>\$ (97,811)</u>

(Concluded)

Sunset Ridge School District No. 29

Notes to the Required Supplementary Information

June 30, 2013

1. LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS

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

- a) The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted and the proposed budget is available for inspection to obtain comments.
- c) By September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December of each year, a tax levy resolution is filed with the County Clerk to obtain tax revenues.
- d) Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within a fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education after the public hearing process mandated by law.
- e) Formal budgetary integration is employed as a management control device during the year for the governmental funds.
- f) The budget amounts shown in the financial statements are as originally adopted by the Board of Education on September 11, 2012. Legal level of control is at the fund level.
- g) All budget appropriations lapse at the end of the fiscal year.

2. EXPENDITURES IN EXCESS OF BUDGETS

The following funds had an excess of expenditures over budget:

<u>Funds</u>	<u>Variance</u>
Debt Service	\$ 30,637
Capital Projects	86,095
Fire Prevention and Safety	9,078

Sunset Ridge School District No. 29

Notes to the Required Supplementary Information

June 30, 2013

3. BUDGET RECONCILIATION

The Statement of Revenues, Expenditures, and Changes in Fund Balances - General Fund (GAAP basis) includes "on-behalf" payments received and made for the amounts contributed by the State of Illinois for the employer's share of the Teachers' Retirement System pension. The District does not budget for these amounts. The differences between the budget and GAAP basis are as follows:

	<u>Revenues</u>	<u>Expenditures</u>
General fund - budgetary basis	\$ 11,602,332	\$ 10,482,737
To adjust for on-behalf payments received	1,764,282	-
To adjust for on-behalf payments made	<u>-</u>	<u>1,764,282</u>
	<u>\$ 13,366,614</u>	<u>\$ 12,247,019</u>

SUPPLEMENTARY FINANCIAL INFORMATION

Sunset Ridge School District No. 29

General Fund

COMBINING BALANCE SHEET

June 30, 2013

	<u>Educational</u>	<u>Tort Immunity and Judgment</u>	<u>Working Cash</u>	<u>Total</u>
ASSETS				
Cash and investments	\$ 6,731,453	\$ 5,025	\$ 1,206,690	\$ 7,943,168
Receivables (net of allowance for uncollectibles):				
Interest	10,999	-	-	10,999
Property taxes	5,437,892	39,920	4,933	5,482,745
Intergovernmental	76,703	-	-	76,703
Prepaid Items	11,696	-	-	11,696
Other current assets	<u>725</u>	<u>-</u>	<u>-</u>	<u>725</u>
 Total assets	 <u>\$ 12,269,468</u>	 <u>\$ 44,945</u>	 <u>\$ 1,211,623</u>	 <u>\$ 13,526,036</u>
LIABILITIES AND FUND BALANCES				
Accounts payable	\$ 49,225	\$ -	\$ -	\$ 49,225
Payroll deductions payable	70,663	-	-	70,663
Other current liabilities	483,510	-	-	483,510
Deferred revenue	<u>5,375,325</u>	<u>39,395</u>	<u>4,866</u>	<u>5,419,586</u>
 Total liabilities	 <u>5,978,723</u>	 <u>39,395</u>	 <u>4,866</u>	 <u>6,022,984</u>
Fund balances:				
Nonspendable	11,696	-	-	11,696
Restricted	-	5,550	-	5,550
Unassigned	<u>6,279,049</u>	<u>-</u>	<u>1,206,757</u>	<u>7,485,806</u>
 Total fund balance	 <u>6,290,745</u>	 <u>5,550</u>	 <u>1,206,757</u>	 <u>7,503,052</u>
 Total liabilities and fund balance	 <u>\$ 12,269,468</u>	 <u>\$ 44,945</u>	 <u>\$ 1,211,623</u>	 <u>\$ 13,526,036</u>

Sunset Ridge School District No. 29

General Fund

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2013

	<u>Educational</u>	<u>Tort Immunity and Judgment</u>	<u>Working Cash</u>	<u>Total</u>
Revenues				
Property taxes	\$ 10,856,401	\$ 79,498	\$ 9,778	\$ 10,945,677
State aid	2,123,766	-	-	2,123,766
Federal aid	181,216	-	-	181,216
Interest	24,428	-	-	24,428
Other	<u>91,527</u>	<u>-</u>	<u>-</u>	<u>91,527</u>
 Total revenues	 <u>13,277,338</u>	 <u>79,498</u>	 <u>9,778</u>	 <u>13,366,614</u>
Expenditures				
Current:				
Instruction:				
Regular programs	5,159,841	-	-	5,159,841
Special programs	1,415,283	-	-	1,415,283
Other instructional programs	231,861	-	-	231,861
State retirement contributions	1,764,282	-	-	1,764,282
Support services:				
Pupils	563,005	-	-	563,005
Instructional staff	42,375	-	-	42,375
General administration	910,909	88,023	-	998,933
School administration	549,304	-	-	549,304
Business	841,955	-	-	841,955
Operations and maintenance	3,000	-	-	3,000
Central	3,247	-	-	3,247
Community services	15,000	-	-	15,000
Nonprogrammed charges	652,576	-	-	652,576
Capital outlay	<u>6,358</u>	<u>-</u>	<u>-</u>	<u>6,358</u>
 Total expenditures	 <u>12,158,996</u>	 <u>88,023</u>	 <u>-</u>	 <u>12,247,019</u>
 Excess (deficiency) of revenues over expenditures	 <u>1,118,342</u>	 <u>(8,525)</u>	 <u>9,778</u>	 <u>1,119,595</u>
 Other financing sources (uses)				
Transfers out	(30,497)	-	(47,068)	(77,565)
Capital lease proceeds	<u>110,570</u>	<u>-</u>	<u>-</u>	<u>110,570</u>
 Total other financing sources (uses)	 <u>80,073</u>	 <u>-</u>	 <u>(47,068)</u>	 <u>33,005</u>
 Net change in fund balance	 1,198,415	 (8,525)	 (37,290)	 1,152,600
 Fund balance, beginning of year	 <u>5,092,330</u>	 <u>14,075</u>	 <u>1,244,047</u>	 <u>6,350,452</u>
 Fund balance, end of year	 <u>\$ 6,290,745</u>	 <u>\$ 5,550</u>	 <u>\$ 1,206,757</u>	 <u>\$ 7,503,052</u>

Sunset Ridge School District No. 29

Debt Service Fund

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

For the Year Ended June 30, 2013

With Comparative Actual Amounts for the Year Ended June 30, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Revenues				
Local sources				
General levy	\$ 378,000	\$ 369,834	\$ (8,166)	\$ 372,747
Interest on investments	<u>20</u>	<u>8</u>	<u>(12)</u>	<u>-</u>
Total local sources	<u>378,020</u>	<u>369,842</u>	<u>(8,178)</u>	<u>372,747</u>
Total revenues	<u>378,020</u>	<u>369,842</u>	<u>(8,178)</u>	<u>372,747</u>
Expenditures				
Debt service				
Other interest	<u>-</u>	<u>220</u>	<u>(220)</u>	<u>-</u>
Total debt service - interest	<u>-</u>	<u>220</u>	<u>(220)</u>	<u>-</u>
Principal payments on long-term debt	<u>385,000</u>	<u>415,277</u>	<u>(30,277)</u>	<u>385,000</u>
Other debt service				
Purchased services	<u>500</u>	<u>640</u>	<u>(140)</u>	<u>445</u>
Total	<u>500</u>	<u>640</u>	<u>(140)</u>	<u>445</u>
Total debt service	<u>385,500</u>	<u>416,137</u>	<u>(30,637)</u>	<u>385,445</u>
Total expenditures	<u>385,500</u>	<u>416,137</u>	<u>(30,637)</u>	<u>385,445</u>
Deficiency of revenues over expenditures	<u>(7,480)</u>	<u>(46,295)</u>	<u>(38,815)</u>	<u>(12,698)</u>

(Continued)

Sunset Ridge School District No. 29

Debt Service Fund

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

For the Year Ended June 30, 2013

With Comparative Actual Amounts for the Year Ended June 30, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Other financing sources				
Transfer to pay for principal on capital leases	\$ -	\$ 30,277	\$ 30,277	\$ -
Transfer to pay for interest on capital leases	-	220	220	-
Intergovernmental loan payment	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Total other financing sources	<u>25,000</u>	<u>55,497</u>	<u>30,497</u>	<u>25,000</u>
Net change in fund balance	<u>\$ 17,520</u>	9,202	<u>\$ (8,318)</u>	12,302
Fund balance, beginning of year		<u>367,299</u>		<u>354,997</u>
Fund balance, end of year		<u>\$ 376,501</u>		<u>\$ 367,299</u>

(Concluded)

Sunset Ridge School District No. 29

Capital Projects Fund

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

For the Year Ended June 30, 2013

With Comparative Actual Amounts for the Year Ended June 30, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Revenues				
Local sources				
Contributions and donations from private sources	\$ -	\$ -	\$ -	\$ 20,000
Total local sources	-	-	-	20,000
Total revenues	-	-	-	20,000
Expenditures				
Support services				
Facilities acquisition and construction services Capital outlay	105,522	191,617	(86,095)	1,251,472
Total support services	105,522	191,617	(86,095)	1,251,472
Total expenditures	105,522	191,617	(86,095)	1,251,472
Excess of revenues over expenditures	(105,522)	(191,617)	(86,095)	(1,231,472)
Other financing sources				
Transfer in	\$ 105,522	\$ 191,617	\$ 86,095	\$ 1,231,472
Total other financing sources	105,522	191,617	86,095	1,231,472
Net change in fund balance	\$ -	-	\$ -	-
Fund balance, beginning of year		-		-
Fund balance, end of year		\$ -		\$ -

Sunset Ridge School District No. 29
 Fire Prevention and Safety Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2013
 With Comparative Actual Amounts for the Year Ended June 30, 2012

	2013			2012 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Revenues				
Local sources				
General levy	\$ 10,165	\$ 9,594	\$ (571)	\$ 29,072
Interest on investments	<u>50</u>	<u>-</u>	<u>(50)</u>	<u>-</u>
Total local sources	<u>10,215</u>	<u>9,594</u>	<u>(621)</u>	<u>29,072</u>
State sources				
School Infrastructure - Maintenance Projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Total state sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Total revenues	<u>10,215</u>	<u>9,594</u>	<u>(621)</u>	<u>79,072</u>
Expenditures				
Support services				
Operations and maintenance of plant services				
Capital outlay	<u>60,295</u>	<u>69,373</u>	<u>(9,078)</u>	<u>18,540</u>
Total support services	<u>60,295</u>	<u>69,373</u>	<u>(9,078)</u>	<u>18,540</u>
Total expenditures	<u>60,295</u>	<u>69,373</u>	<u>(9,078)</u>	<u>18,540</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (50,080)</u>	(59,779)	<u>\$ (9,699)</u>	60,532
Fund balance, beginning of year		<u>187,713</u>		<u>127,181</u>
Fund balance, end of year		<u>\$ 127,934</u>		<u>\$ 187,713</u>

Sunset Ridge School District No. 29
 GENERAL LONG-TERM DEBT
 SCHEDULE OF GENERAL OBLIGATION BONDS
Year Ended June 30, 2013

	<u>Maturity as follows for the Year Ended June 30</u>	<u>Principal</u>
Capital Appreciation Bonds, dated February 8, 2000, (Interest at 5.35% to 6.125%, principal due December 1)	2014	\$ 360,000
	2015	360,000
	2016	360,000
	2017	360,000
	2018	-
	2019	-
	2020	<u>1,065,000</u>
Total		<u><u>\$ 2,505,000</u></u>

OTHER SUPPLEMENTAL INFORMATION
(Unaudited)

Sunset Ridge School District No. 29
PROPERTY TAX RATES - LEVIES AND COLLECTIONS
LAST FIVE TAX LEVY YEARS

	2012	2011	2010	2009	2008
Assessed valuation	<u>\$453,227,558</u>	<u>\$483,660,807</u>	<u>\$535,066,547</u>	<u>\$610,219,904</u>	<u>\$615,261,741</u>
Rates Extended					
Educational	2.4738	2.2649	1.6176	1.2650	1.2137
Tort Immunity and Judgment	0.0182	0.0170	0.0154	0.0135	-
Operations and Maintenance	-	0.0385	0.3850	0.4545	0.4952
Debt Service	0.0834	0.0782	0.0706	0.0619	0.0614
Transportation	0.0068	0.0043	0.0096	0.0051	0.0042
Municipal Retirement	0.0568	0.0213	0.0289	0.0143	0.0084
Social Security	0.0568	0.0213	0.0289	0.0147	0.0117
Working Cash	0.0023	0.0021	0.0067	0.0059	0.0060
Fire Prevention and Safety	<u>0.0023</u>	<u>0.0021</u>	<u>0.0096</u>	<u>0.0084</u>	<u>0.0084</u>
Total rates extended	<u>2.7004</u>	<u>2.4497</u>	<u>2.1723</u>	<u>1.8433</u>	<u>1.8090</u>
Levies Extended					
Educational	\$ 11,212,074	\$ 10,954,265	\$ 8,655,294	\$ 7,719,134	\$ 7,467,169
Tort Immunity and Judgment	82,400	82,400	82,400	82,400	-
Operations and Maintenance	1	186,111	2,060,000	2,773,622	3,046,653
Debt Service	378,000	378,000	378,000	378,000	378,000
Transportation	30,900	20,600	51,500	30,900	26,022
Municipal Retirement	257,500	103,000	154,500	87,550	51,500
Social Security	257,500	103,000	154,500	89,713	72,100
Working Cash	10,300	10,300	36,050	36,050	36,875
Fire Prevention and Safety	<u>10,300</u>	<u>10,300</u>	<u>51,500</u>	<u>51,500</u>	<u>51,500</u>
Total levies extended	<u>\$ 12,238,975</u>	<u>\$ 11,847,976</u>	<u>\$ 11,623,744</u>	<u>\$ 11,248,869</u>	<u>\$ 11,129,819</u>
Total collections	<u>\$ 6,180,704</u>	<u>\$ 11,681,624</u>	<u>\$ 11,383,725</u>	<u>\$ 11,147,732</u>	<u>\$ 10,903,999</u>
Percentage of extensions collected	<u>50.50%</u>	<u>98.60%</u>	<u>97.94%</u>	<u>99.10%</u>	<u>97.97%</u>

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

Sunset Ridge School District No. 29
OPERATING COST AND TUITION CHARGE
JUNE 30, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
Operating cost per pupil		
Average Daily Attendance (ADA):	<u>461.70</u>	<u>452.39</u>
Operating costs:		
Educational	\$ 10,394,714	\$ 9,707,014
Operations and Maintenance	1,072,312	1,064,740
Debt Service	416,137	385,445
Transportation	62,939	84,385
Municipal Retirement/Social Security	298,725	290,987
Tort Immunity and Judgment	<u>88,024</u>	<u>74,126</u>
Subtotal	<u>12,332,851</u>	<u>11,606,697</u>
Less Revenues/Expenditures of Nonregular Programs:		
Total payments to other districts and gov't units	652,576	609,771
Community services	15,000	-
Special education programs	375	-
Non-capitalized equipment	439,637	311,197
Capital outlay	73,025	39,350
Debt principal retired	<u>415,277</u>	<u>385,000</u>
Subtotal	<u>1,595,890</u>	<u>1,345,318</u>
Operating costs	<u>\$ 10,736,961</u>	<u>\$ 10,261,379</u>
Operating costs per pupil - based on ADA	<u>\$ 23,255</u>	<u>\$ 22,683</u>
Tuition Charge		
Operating costs	\$ 10,736,961	\$ 10,261,379
Less - revenues from specific programs, such as special education or lunch programs	<u>519,192</u>	<u>523,481</u>
Net operating costs	10,217,769	9,737,898
Depreciation allowance	<u>598,218</u>	<u>544,714</u>
Allowance tuition costs	<u>\$ 10,815,987</u>	<u>\$ 10,282,612</u>
Tuition charge per pupil - based on ADA	<u>\$ 23,426</u>	<u>\$ 22,730</u>