

BUTLER ELEMENTARY SCHOOL
DISTRICT NO. 53

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2008
AND
INDEPENDENT AUDITOR'S REPORT

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BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53

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BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Butler Elementary School District No. 53
2801 York Road
Oak Brook, IL 60523

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Butler Elementary School District No. 53, as of and for the year ended June 30, 2008, which collectively comprise Butler Elementary School District No. 53's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Butler Elementary School District No. 53's management. Our responsibility is to express opinions on these financial statements based on our audit. The prior year summarized comparative information included in the Governmental Funds Balance Sheet - Modified Cash Basis and the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances - Modified Cash Basis has been derived from Butler Elementary School District No. 53's 2007 financial statements and, in our report dated September 17, 2007, our opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information were qualified because Butler Elementary School District 53 prepares its financial statements on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America and because Butler Elementary School District 53 does not maintain detailed records of the historical cost, accumulated depreciation or depreciation expense of its capital assets.

Except as discussed in the following paragraphs, we conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Butler Elementary School District No. 53 does not maintain detailed records of the historical cost, accumulated depreciation or depreciation expense of its capital assets. Therefore, we were unable to obtain sufficient evidence to form an opinion on the capital assets, accumulated depreciation, and depreciation expense.

As described in Note 1, Butler Elementary School District No. 53 prepares its financial statements on the modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Board of Education
Butler Elementary School District No. 53

In our opinion, except for the effect of such adjustments, if any, as might have been disclosed with respect to the capital assets, accumulated depreciation, and depreciation expense had detailed records been available, the financial statements referred to above present fairly, in all material respects, the respective financial position - modified cash basis of the governmental activities, each major fund, and the aggregate remaining fund information of Butler Elementary School District No. 53 as of June 30, 2008, and the respective changes in financial position - modified cash basis thereof for the year then ended in conformity with the basis of accounting described in Note 1.

The management's discussion and analysis, the historical pension information and the general and major special revenue funds budgetary comparison schedules, as listed in the table of contents, are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Butler Elementary School District No. 53's basic financial statements. The financial information listed as supplementary information in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The 2008 supplementary information have been subjected to the auditing procedures applied to the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements for the year ended June 30, 2008, taken as a whole. We also have previously audited, in accordance with auditing standards generally accepted in the United States, Butler Elementary School District No. 53's basic financial statements for the year ended June 30, 2007, which are not presented with the accompanying financial statements. In our report dated September 17, 2007, our opinions were qualified on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information because Butler Elementary School District No. 53 prepares its financial statements on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America and because Butler Elementary School District No. 53 does not maintain detailed records of the historical cost, accumulated depreciation and depreciation expense of its capital assets. In our opinion, the 2007 supplementary information is fairly stated in all material respects in relation to the basic financial statements for the year ended June 30, 2007, taken as a whole, on the basis of accounting referenced above.

Oak Brook, Illinois
September 15, 2008

Vuchow, Kraus & Company, LLP

Butler Elementary School District No. 53

Management's Discussion and Analysis

For the Year Ended June 30, 2008

The discussion and analysis of Butler Elementary School District No. 53's (the "District") financial performance provides an overall review of the District's financial activities for the year ended June 30, 2008. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- In total, net assets increased by \$1,042,610. This represents a 12% increase from 2007 and approximates the increase in net assets in 2007 as both revenues and expenditures increased by similar amounts from the prior year. Government-wide total revenues increased \$670,699 from the prior year. Government-wide expenses increased \$659,302.
- Real estate tax revenue increased \$154,714 from the prior year due to an increase in the 2007 tax levy.
- The District's online registration system for the 2008/2009 school year added additional revenues for student registration fees to General (Educational) Fund revenues. The online registration system had not been used in prior years.
- Miscellaneous revenues increased \$342,083 resulting from the collection of developer impact fees not received in prior years.
- The increase in expenses occurred across most functions, particularly regular programs and operations and maintenance. The increase in regular programs of \$183,936 resulted from higher costs for employee salaries and benefits. Operations and maintenance expenses increased \$91,841 due to costs associated with the building renovation projects.
- General revenues accounted for \$8,898,526 in revenue or 88% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$1,183,736 or 12% of total revenues of \$10,082,262.
- The District had \$9,039,652 in expenses related to government activities. However, only \$1,183,736 of these expenses were offset by program specific charges and grants. Several installment payments from the State of Illinois were prorated or were not received prior to the fiscal year end.
- General (Educational) Fund expenditures increased from the prior year due to higher costs related to the special education program. Specifically, costs for leadership, extended school year and out-of-district tuition increased by \$112,278 over prior expenditures for similar services.
- Technology expenditures included replacing outdated computers across the school district for both students and staff.

Butler Elementary School District No. 53

Management's Discussion and Analysis

For the Year Ended June 30, 2008

- Operations and maintenance expenditures were less than anticipated, as punch list items from the 2007 summer renovation work was not completed by year-end. Expenditures for operations and maintenance included partial payments for improvements to both Brook Forest School and Butler Junior High School. Improvements at Brook Forest School include new HVAC equipment, new exterior windows and doors, new fire alarm system, new security system, new sound proofing between primary classrooms, a new roof, a remodeled foyer for better security, and renovated bathrooms. Butler Junior High improvements included new fire and security systems as well as improvements to the HVAC systems. Bleachers and the gym floor were also renovated or repaired.
- The District continued to pay down its long-term debt, retiring \$190,000 in fiscal 2008.
- The District abated the Working Cash Fund to the Operations and Maintenance Fund for \$800,000 to pay for building renovations during the summers of 2007 and 2008.

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, and
- Notes to basic financial statements.

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

Government-wide financial statements

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

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

The statements of activities - modified cash basis presents information showing how the government's net assets changed during the fiscal year being reported. All changes in net assets are reported with cash is received and disbursed. Additionally, activity related to acquisition, depreciation and year end balances of capital assets, as well as year end balances and related changes in long-term debt in its government-wide financial statements are reported.

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

Butler Elementary School District No. 53

Management's Discussion and Analysis

For the Year Ended June 30, 2008

Fund financial statements

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

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

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

The District maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General (Educational) Fund, Operations and Maintenance Fund, Transportation Fund, IMRF/Social Security Fund, Working Cash Fund, Bond and Interest Fund, and Fire Prevention and Safety Fund, 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 schedule has been provided for each fund to demonstrate compliance with this budget.

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

Notes to basic financial statements

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

Other information

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

Butler Elementary School District No. 53
Management's Discussion and Analysis
For the Year Ended June 30, 2008

District-Wide Financial Analysis

The District's combined net assets were higher on June 30, 2008, than they were the year before, increasing 12% to \$9,392,760.

Table 1
Condensed Statements of Net Assets
(in millions of dollars)

	<u>2007</u>	<u>2008</u>
Assets:		
Current and other assets	\$ 8.3	\$ 8.0
Capital Assets	<u>1.9</u>	<u>3.1</u>
Total assets	<u>10.2</u>	<u>11.1</u>
Liabilities:		
Current liabilities	-	0.1
Long-term debt outstanding	<u>1.8</u>	<u>1.6</u>
Total liabilities	<u>1.8</u>	<u>1.7</u>
Net assets:		
Invested in capital assets, net of related debt	1.9	1.5
Restricted	0.3	0.3
Unrestricted	<u>6.2</u>	<u>7.6</u>
Total net assets	<u>\$ 8.4</u>	<u>\$ 9.4</u>

Revenues in the governmental activities of the District of \$10,082,262 exceeded expenditures by \$1,042,610. This was attributable primarily to revenues exceeding expenditures during the year, with both revenues and expenditures increasing by similar amounts from the prior year. Real Estate Tax revenue increased \$154,714 from the prior year due to increases in the 2007 tax levy. Miscellaneous revenues increased \$342,083 resulting from the collection of developer impact fees not received in prior years. Total revenues increased \$670,699 from prior year. Total expenditures increased \$659,302 from the prior year. The increase in expenditures occurred across most functions, particularly regular programs and operations and maintenance. The increase in regular programs of \$183,936 resulted from an higher costs for employee salaries and benefits. Operations and maintenance expenditures increased \$91,841 due to costs associated with the building renovation projects.

Butler Elementary School District No. 53
Management's Discussion and Analysis
For the Year Ended June 30, 2008

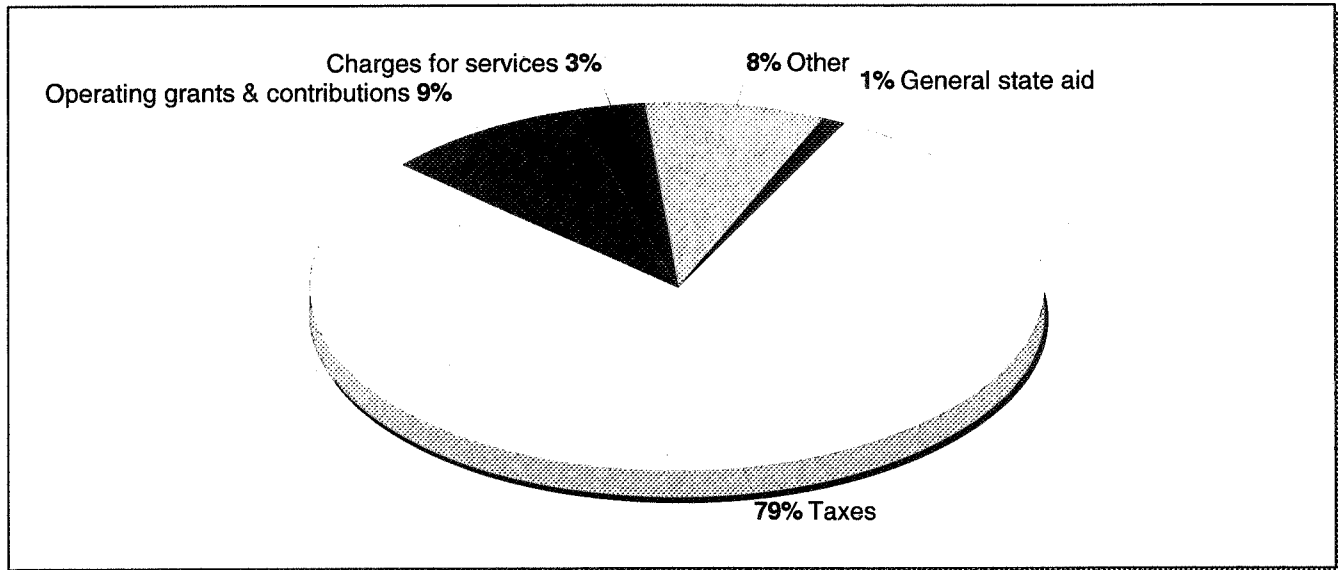
Table 2
Changes in Net Assets
(in millions of dollars)

	<u>2007</u>	<u>2008</u>
Revenues:		
<i>Program revenues:</i>		
Charges for services	\$ 0.3	\$ 0.3
Operating grants & contributions	0.7	0.9
<i>General revenues:</i>		
Taxes	7.8	8.0
General state aid	0.1	0.1
Other	0.5	0.8
Total revenues	<u>9.4</u>	<u>10.1</u>
Expenses:		
Instruction	4.9	5.4
Pupil & instructional staff services	1.1	1.2
Administration & business	1.2	1.3
Transportation	0.3	0.3
Operations & maintenance	0.7	0.8
Other	0.1	0.1
Total expenses	<u>8.3</u>	<u>9.1</u>
Excess (deficiency) of revenues over expenses before special items	<u>1.1</u>	<u>1.0</u>
Increase (decrease) in net assets	<u>\$ 1.1</u>	<u>\$ 1.0</u>

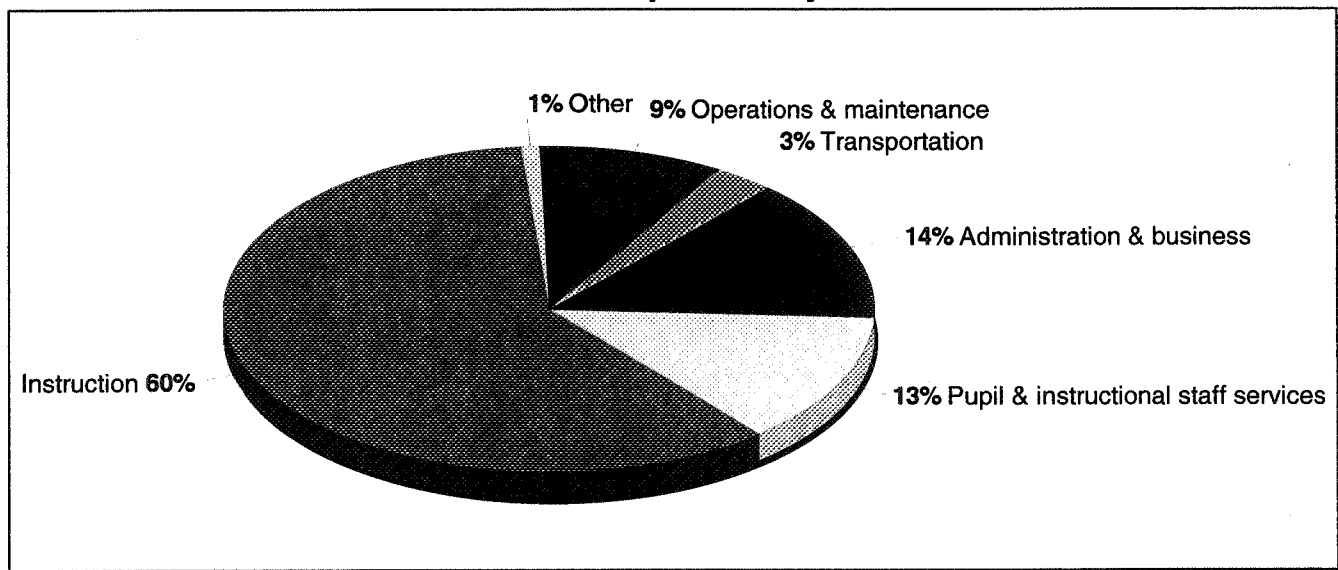
Property taxes accounted for the largest portion of the District's revenues, contributing 80%. The remainder of revenues came from state, federal grants and other sources. The total cost of all the District's programs was \$9,039,652, mainly related to instructing and caring for the students and student transportation, comprising 76% of total expenses.

Butler Elementary School District No. 53
Management's Discussion and Analysis
For the Year Ended June 30, 2008

District-Wide Revenues by Source



District-Wide Expenses by Function



Financial Analysis of the District's Funds

The District's Governmental Funds balance decreased from \$8,300,054 to \$7,874,303.

General (Educational) Fund expenditures increased \$689,442 from the prior year, primarily resulting from an increase in regular and special education program expenditures. Total revenues increased by \$215,946 due to an increase in the state on-behalf payment to TRS. The on-behalf payment also increased total expenditures.

Butler Elementary School District No. 53

Management's Discussion and Analysis

For the Year Ended June 30, 2008

Operations and Maintenance Fund expenditures increased \$718,796 from the prior year due to school building renovation projects. Total revenues increased \$515,121 due to developer impact fees not received in prior years.

Transportation Fund expenditures were \$10,106 less than prior year expenditures while revenues decreased by \$12,860.

IMRF Fund expenditures increased \$11,273 from the prior year. Revenues increased by \$6,754.

\$800,000 from the Working Cash Fund was abated to Operations and Maintenance Fund to pay for building repairs and renovations.

General Fund Budgetary Highlights

Expenditures exceed revenues for the following reasons:

- Expenditures for total regular programs increased by \$275,425 from the prior year due to increased costs for employee salaries and benefits. More employees were employed during the fiscal year than in the prior year.
- Expenditures increased, in general, across most functions from the prior year. Total expenditures, excluding total regular programs, increased by \$414,017.
- Revenues increased by \$215,946 from the prior year due to the increase in the state on-behalf payment to TRS, which is also included in expenditures. Excluding the on-behalf payment, revenues decreased by \$21,794. Corporate Personal Property Replacement Tax revenue decreased by \$75,246 while other revenues (including property taxes, state and federal aid, and interest income) increased slightly from the prior year.

Expenditures exceeded budgeted expectations for the following reasons:

- Employment costs including salary and benefits were higher than anticipated in the Educational Fund, with a cost \$138,200 over budget. Higher costs were the result of greater than expected educational needs requiring the employment of additional employees.
- Technology and library media costs were \$18,848 under budget as staff negotiated with vendors for reduced prices on software and equipment.
- Board of Education services, including legal fees and other professional services, were \$16,221 below budgeted expectations.
- School food service expenses were \$21,474 below budget due to reduced student participation in the program.
- Payments to out-of-district entities for special education programs exceeded budgeted expectations by \$41,270 due to an increased demand for special education programs.
- Expenditures across most other functions fell slightly below budgeted expectations for the fiscal year.

Butler Elementary School District No. 53
Management's Discussion and Analysis
For the Year Ended June 30, 2008

- The provision for contingencies was budgeted at \$53,760. No contingencies were recorded during the fiscal year.

Capital Assets and Debt Administration

Capital assets

By the end of 2008, the District had compiled a total investment of \$8,181,099 (\$3,138,457 net of accumulated depreciation) in a broad range of capital assets including buildings, land and equipment. Total depreciation expense for the year was \$94,641. More detailed information about capital assets can be found in Note 5 of the basic financial statements.

Table 3 Capital Assets (net of depreciation) (in millions of dollars)			
	<u>2007</u>		<u>2008</u>
Land	\$ 0.3	\$	0.3
Construction in Progress	-		1.3
Building Improvements	1.5		1.4
Equipment	<u>0.1</u>		<u>0.1</u>
Total	<u>\$ 1.9</u>	<u>\$</u>	<u>3.1</u>

Long-term debt

The District retired \$120,000 in bonds in 2008. Debt Certificates were reduced by \$70,000. At the end of fiscal 2008, the District had a debt margin of \$66,326,509. More detailed information on long-term debt can be found in Note 7 of the basic financial statements.

Table 4 Outstanding Long-Term Debt (in millions of dollars)			
	<u>2007</u>		<u>2008</u>
General Obligation Bonds	\$ 1.1	\$	0.9
Debt Certificates	<u>0.7</u>		<u>0.7</u>
Total	<u>\$ 1.8</u>	<u>\$</u>	<u>1.6</u>

Factors Bearing on the District's Future

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

The District's facilities are aging and need repairs and renovations. Approximately \$2.3 million will be expended between the summer 2008 to the summer of 2012 to improve HVAC systems, replace carpeting throughout both schools, replace interior doors, replace the junior high parking lot, replace lockers in both schools, and other improvements that directly affect the health, safety and instruction of children. The District anticipates making additional repairs to both buildings in FY'09 through FY'13, utilizing available fund balances while maintaining adequate reserves.

Butler Elementary School District No. 53
Management's Discussion and Analysis
For the Year Ended June 30, 2008

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:

Dr. Sandra Martin
Butler Elementary School District No. 53
2801 York Road
Oak Brook, IL 60523

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BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53

STATEMENT OF NET ASSETS - MODIFIED CASH BASIS

JUNE 30, 2008

**GOVERNMENTAL
ACTIVITIES**

Assets

Cash	\$ 7,928,162
Capital assets:	
Land	269,291
Construction in progress	1,337,742
Depreciable buildings, property and equipment, net	<u>1,531,424</u>
Total assets	<u>11,066,619</u>

Liabilities

Payroll deductions payable	53,859
Long-term liabilities:	
Other long-term liabilities - due within one year	200,000
Other long-term liabilities - due after one year	<u>1,420,000</u>
Total liabilities	<u>1,673,859</u>

Net assets

Invested in capital assets, net of related debt	1,518,457
Restricted for:	
Retirement benefits	188,058
Debt service	100,243
Capital projects	5,074
Unrestricted	<u>7,580,928</u>
Total net assets	<u>\$ 9,392,760</u>

See Notes to Basic Financial Statements

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BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2008

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUE		NET (EXPENSES)
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	REVENUE AND
				GOVERNMENTAL ACTIVITIES
Governmental activities				
Instruction:				
Regular programs	\$ 3,721,450	\$ 181,301	\$ 869	\$ (3,539,280)
Special programs	911,544	-	147,544	(764,000)
Other instructional programs	139,350	-	15,784	(123,566)
State retirement contributions	651,339	-	651,339	-
Support Services:				
Pupils	474,962	-	918	(474,044)
Instructional staff	649,318	-	16,687	(632,631)
General administration	506,456	-	-	(506,456)
School administration	395,397	-	-	(395,397)
Business	400,704	123,689	21,052	(255,963)
Transportation	315,020	759	18,169	(296,092)
Operations and maintenance	813,217	5,625	-	(807,592)
Interest and fees	60,895	-	-	(60,895)
Total governmental activities	<u>\$ 9,039,652</u>	<u>\$ 311,374</u>	<u>\$ 872,362</u>	<u>(7,855,916)</u>
General revenues:				
Taxes:				
				6,080,321
				1,396,037
				153,270
				399,742
				111,244
				390,836
				367,076
				<u>8,898,526</u>
				1,042,610
				<u>8,350,150</u>
				<u>\$ 9,392,760</u>

See Notes to Basic Financial Statements

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53**GOVERNMENTAL FUNDS****BALANCE SHEET - MODIFIED CASH BASIS****JUNE 30, 2008****WITH COMPARATIVE TOTALS FOR JUNE 30, 2007**

	GENERAL (EDUCATIONAL) FUND	OPERATIONS AND MAINTENANCE FUND	TRANSPORTATION FUND	MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
Assets				
Cash	\$ 5,893,832	\$ 985,474	\$ 438,595	\$ 198,182
Total assets	<u>\$ 5,893,832</u>	<u>\$ 985,474</u>	<u>\$ 438,595</u>	<u>\$ 198,182</u>
Liabilities and fund balance				
Payroll deductions payable	\$ 43,735	\$ -	\$ -	\$ 10,124
Total liabilities	<u>43,735</u>	<u>-</u>	<u>-</u>	<u>10,124</u>
Fund balance				
Unreserved fund balance:				
Undesignated	<u>5,850,097</u>	<u>985,474</u>	<u>438,595</u>	<u>188,058</u>
Total fund balance	<u>5,850,097</u>	<u>985,474</u>	<u>438,595</u>	<u>188,058</u>
Total liabilities and fund balance	<u>\$ 5,893,832</u>	<u>\$ 985,474</u>	<u>\$ 438,595</u>	<u>\$ 198,182</u>

See Notes to Basic Financial Statements

WORKING CASH FUND	BOND AND INTEREST FUND	FIRE PREVENTION AND LIFE SAFETY FUND	TOTAL	
			2008	2007
\$ 306,762	\$ 100,243	\$ 5,074	\$ 7,928,162	\$ 8,316,064
<u>\$ 306,762</u>	<u>\$ 100,243</u>	<u>\$ 5,074</u>	<u>\$ 7,928,162</u>	<u>\$ 8,316,064</u>
\$ -	\$ -	\$ -	\$ 53,859	\$ 16,010
<u>-</u>	<u>-</u>	<u>-</u>	<u>53,859</u>	<u>16,010</u>
306,762	100,243	5,074	7,874,303	8,300,054
<u>306,762</u>	<u>100,243</u>	<u>5,074</u>	<u>7,874,303</u>	<u>8,300,054</u>
<u>\$ 306,762</u>	<u>\$ 100,243</u>	<u>\$ 5,074</u>	<u>\$ 7,928,162</u>	<u>\$ 8,316,064</u>

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BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53**RECONCILIATION OF THE GOVERNMENTAL FUNDS****BALANCE SHEET - MODIFIED CASH BASIS TO THE STATEMENT OF NET ASSETS - MODIFIED CASH BASIS****JUNE 30, 2008**

Total fund balances - governmental funds

\$ 7,874,303

Amounts reported for governmental activities in the Statement of Net Assets -
Modified Cash Basis are different because:Net capital assets used in governmental activities and included in the Statement of
Net Assets - Modified Cash Basis do not require the expenditure of financial
resources and, therefore, are not reported in the governmental funds balance
sheet - modified cash basis.

3,138,457

Long-term liabilities included in the Statement of Net Assets - Modified Cash Basis
are not due and payable in the current period and, therefore, are not reported in
the governmental funds balance sheet - modified cash basis.(1,620,000)

Net assets of governmental activities

\$ 9,392,760

See Notes to Basic Financial Statements

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53**GOVERNMENTAL FUNDS**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2008
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2007

	GENERAL (EDUCATIONAL) FUND	OPERATIONS AND MAINTENANCE FUND	TRANSPORTATION FUND	MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
Revenues				
Property taxes	\$ 6,080,321	\$ 891,104	\$ 337,246	\$ 167,687
Corporate personal property replacement taxes	180,692	212,006	-	7,044
State aid	934,318	-	18,169	-
Federal aid	31,119	-	-	-
Interest income	301,011	25,446	11,223	6,503
Other	<u>333,066</u>	<u>344,625</u>	<u>759</u>	<u>-</u>
Total revenues	<u>7,860,527</u>	<u>1,473,181</u>	<u>367,397</u>	<u>181,234</u>
Expenditures				
Current:				
Instruction:				
Regular programs	3,647,384	-	-	36,266
Special programs	650,710	-	-	48,708
Other instructional programs	136,096	-	-	1,863
State retirement contributions	651,339	-	-	-
Support Services:				
Pupils	463,124	-	-	5,981
Instructional staff	523,123	-	-	8,341
General administration	483,929	-	-	14,019
School administration	374,961	-	-	16,499
Business	355,230	-	-	15,893
Transportation	-	-	315,020	-
Operations and maintenance	-	720,972	-	28,736
Nonprogrammed charges	205,085	-	-	-
Debt Service:				
Principal	-	70,000	-	-
Interest and other	-	27,505	-	-
Capital outlay	<u>124,490</u>	<u>1,429,349</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>7,615,471</u>	<u>2,247,826</u>	<u>315,020</u>	<u>176,306</u>
Excess (deficiency) of revenues over expenditures	<u>245,056</u>	<u>(774,645)</u>	<u>52,377</u>	<u>4,928</u>
Other financing uses				
Operating transfers in	-	800,000	-	-
Operating transfers (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing uses	<u>-</u>	<u>800,000</u>	<u>-</u>	<u>-</u>
Net change in fund balance	245,056	25,355	52,377	4,928
Fund balance, beginning of year	<u>5,605,041</u>	<u>960,119</u>	<u>386,218</u>	<u>183,130</u>
Fund balance, end of year	<u>\$ 5,850,097</u>	<u>\$ 985,474</u>	<u>\$ 438,595</u>	<u>\$ 188,058</u>

See Notes to Basic Financial Statements

WORKING CASH FUND	BOND AND INTEREST FUND	FIRE PREVENTION AND LIFE SAFETY FUND	TOTAL	
			2008	2007
\$ -	\$ 153,270	\$ -	\$ 7,629,628	\$ 7,474,914
-	-	-	399,742	362,649
-	-	-	952,487	815,879
-	-	-	31,119	28,708
41,358	3,717	1,578	390,836	432,264
-	-	-	678,450	297,149
<u>41,358</u>	<u>156,987</u>	<u>1,578</u>	<u>10,082,262</u>	<u>9,411,563</u>
-	-	-	3,683,650	3,405,234
-	-	-	699,418	628,846
-	-	-	137,959	135,564
-	-	-	651,339	413,599
-	-	-	469,105	432,784
-	-	-	531,464	573,973
-	-	-	497,948	462,651
-	-	-	391,460	371,781
-	-	-	371,123	371,488
-	-	-	315,020	325,126
-	-	-	749,708	721,376
-	-	-	205,085	147,112
-	120,000	-	190,000	223,000
-	33,390	-	60,895	68,181
-	-	-	1,553,839	845,462
<u>-</u>	<u>153,390</u>	<u>-</u>	<u>10,508,013</u>	<u>9,126,177</u>
<u>41,358</u>	<u>3,597</u>	<u>1,578</u>	<u>(425,751)</u>	<u>285,386</u>
-	-	-	800,000	500,000
(800,000)	-	-	(800,000)	(500,000)
(800,000)	-	-	-	-
(758,642)	3,597	1,578	(425,751)	285,386
<u>1,065,404</u>	<u>96,646</u>	<u>3,496</u>	<u>8,300,054</u>	<u>8,014,668</u>
<u>\$ 306,762</u>	<u>\$ 100,243</u>	<u>\$ 5,074</u>	<u>\$ 7,874,303</u>	<u>\$ 8,300,054</u>

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
- MODIFIED CASH BASIS TO THE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
YEAR ENDED JUNE 30, 2008

Net change in fund balances - total governmental funds - modified cash basis	\$ (425,751)
Amounts reported for governmental activities in the Statement of Activities - Modified Cash Basis are different because:	
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities - Modified Cash Basis, the cost of these 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.	1,278,361
The issuance of long-term debt (bonds, capital leases, etc.) provides current financial resources to the governmental funds, while its principal repayment consumes current financial resources of the governmental funds. Neither transaction, however, has any effect on net assets. This is the amount by which current year principal repayments exceeded proceeds from current year long- term financing arrangements.	<u>190,000</u>
Net change in fund balances - total governmental funds - modified cash basis	<u>\$ 1,042,610</u>

See Notes to Basic Financial Statements

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53
STATEMENT OF FIDUCIARY NET ASSETS - MODIFIED CASH BASIS
JUNE 30, 2008

AGENCY
STUDENT
ACTIVITY
FUND

Assets

Cash and investments	\$	15,064
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Liabilities

Due to student organizations	\$	15,064
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BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Butler Elementary School District No. 53 (the "District") operates as a public school system governed by a seven-member board. The District is organized under the School Code of the State of Illinois, as amended. The accounting policies of the District conform to the modified cash basis of accounting as applicable to the local governmental units of this type. This modified basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements. The following is a summary of the more significant accounting policies of the District:

Reporting Entity

Accounting principles generally accepted in the United States of America require that the financial statements of the reporting entity include: (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided in Government Accounting Standards Board Statement No. 14 have been considered and there are no agencies or entities which should be presented with the District. Using the same criteria, the District is not included as a component unit of any other governmental entity.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate entities, are, in substance, part of the government's operations and are reported with similar funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the primary government. This report does not contain any component units.

Basis of Presentation

Government-wide Financial Statements

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

The statement of activities demonstrates the degree to which the direct cash disbursements of a given function are offset by program receipts. Direct cash disbursement are those that are clearly identifiable with a specific function. Program receipts include (1) amounts paid by the recipient of goods or services offered by the program 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 receipts are reported instead as general receipts.

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Governmental Funds Financial Statements

Governmental funds financial statements are organized and operated on the basis of funds and are used to account for the District's general governmental activities. Fund accounting segregates funds according to their intended purpose, and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, reserves, fund balance, receipts and cash disbursements. The minimum number of funds is maintained consistent with legal and managerial requirements.

Separate financial statements are provided for all governmental funds and fiduciary funds; the fiduciary funds are excluded from the government-wide financial statements.

Measurement Focus and Basis of Accounting

The government-wide financial statements and the fund financial statements are reported using the modified cash basis of accounting. Assets, liabilities, net assets, receipts, and cash disbursements are recognized when they result from cash transactions with a provision for depreciation in the government-wide statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In the government-wide financial statements, governmental activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as described above. In the governmental fund financial statements, the current financial resources measurement focus is used. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period.

As a result of the use of the modified cash basis of accounting, certain assets and their related revenues, (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

If the District utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

Major Governmental Funds

General Fund - (Educational Fund) the general operating fund of the District. It accounts for all financial resources except those required to be accounted for in another fund. This fund is primarily used for most of the instructional and administrative aspects of the District's operations. Revenues consist largely of local property taxes and state government aid.

Special Revenue Funds - account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes, other than those accounted for in the Debt Service Fund, Capital Projects Funds or Fiduciary Funds.

Operations and Maintenance Fund - accounts for expenditures made for repair and maintenance of the District's buildings and land. Revenue consists primarily of local property taxes.

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

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

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

Working Cash Fund - accounts for financial resources held by the District to be used as temporary interfund loans for working capital requirements to the General Fund and the Special Revenue Fund's Operation and Maintenance and Transportation Funds. Money loaned by the Working Cash Fund 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 a part of the General Fund or it may be partially abated to the General Fund, Special Revenue Funds, Debt Service Funds or the Fire Prevention and Life Safety Fund.

Debt Service Fund - (*Bond and Interest Fund*) accounts for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs. The primary revenue source is local property taxes levied specifically for debt service.

Capital Project Fund - accounts for the financial resources to be used for the acquisition or construction of, and/or additions to, major capital facilities.

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

Other Fund Types

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

Agency Funds - include Student Activity Funds, Convenience Accounts and Other Agency Funds. These funds are custodial in nature and do not present results of operations or have a measurement focus. Although the Board of Education has the ultimate responsibility for Activity Funds, they are not local education agency funds. Student Activity 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. Convenience Accounts account for assets that are normally maintained by a local education agency as a convenience for its faculty, staff, etc.

Assets, Liabilities and Net Assets or Equity

Deposits and Investments

State statutes authorize the District to invest in obligations of the U.S. Treasury, certain highly-rated commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool. Investments are stated at cost.

Receivables and Payables

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

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Property Tax Revenues

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2007 levy resolution was approved during the December 10, 2007 board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year.

The tax rate ceilings are applied at the fund level. These ceilings are established by state law subject to change only by the approval of the voters of the District.

The PTELA limitation is applied in the aggregate to the total levy (excluding certain levies for the repayment of debt). PTELA limits the increase in total taxes billed to the lesser of 5% or the percentage increase in the Consumer Price Index (CPI) for the preceding year. The amount can be exceeded to the extent there is "new growth" in the District's tax base. The new growth consists of new construction, annexations and tax increment finance district property becoming eligible for taxation. The CPI rates applicable to the 2007 and 2006 tax levies were 2.5% and 3.4%, respectively.

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

Personal Property Replacement Taxes

Personal property replacement taxes are first allocated to the Municipal Retirement/Social Security Fund, and the balance is allocated to the remaining funds at the discretion of the District.

Capital Assets

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

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

<i>Assets</i>	<i>Years</i>
Buildings	50
Land Improvements	20
Equipment	5-10

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Long-Term Obligations

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

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

Equity Classifications

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

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

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

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

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

Comparative Data

The financial statements include summarized prior-year comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2007, from which such summarized information was derived.

Eliminations and Reclassifications

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Excess of Expenditures over Budget

For the year ended June 30, 2008, expenditures exceeded budget in the General (Educational) Fund by \$32,689 and the Bond and Interest Fund by \$3,637. These excesses were funded by available fund balances.

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53**NOTES TO BASIC FINANCIAL STATEMENTS**

JUNE 30, 2008

NOTE 3 - DEPOSITS AND INVESTMENTS

At year end, the District's cash and investments was comprised of the following:

	Government- wide	Fiduciary	Total
Cash and investments	\$ 7,928,162	\$ 15,064	\$ 7,943,226
Total	<u>\$ 7,928,162</u>	<u>\$ 15,064</u>	<u>\$ 7,943,226</u>

For disclosure purposes, this amount is segregated into the following components: 1) deposits with financial institutions, which include amounts held in demand accounts, savings accounts and non-negotiable certificates of deposit; and 2) other investments, which consist of all investments other than certificates of deposit, as follows:

	Cash	Investments	Total
Deposits with financial institutions	\$ 367,951	\$ -	\$ 367,951
Other investments	<u>-</u>	<u>7,575,275</u>	<u>7,575,275</u>
Total	<u>\$ 367,951</u>	<u>\$ 7,575,275</u>	<u>\$ 7,943,226</u>

At year end, the District had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (In years)
U.S. Government Agencies	\$ 5,876,977	8.32
Commercial Paper	1,195,895	0.08
Illinois Funds	214,876	-
Northern Trust Sweep Money Market	<u>287,527</u>	-
Total	<u>\$ 7,575,275</u>	

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the District's policy states the objectives of the District's investment activities to be meeting the school district's need for safety, liquidity, rate of return, and diversification, and its general performance. Maturity information on other investments is shown in the table above.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper, corporate bonds and mutual funds to the top two ratings issued by nationally recognized rating organizations (NRSRO's). The District has no investment policy that would further limit its investment choices. At June 30, 2008, the District's investment in commercial paper had ratings of A1-P1. At June 30, 2008, the District's investment in government securities had ratings of Moody's Aaa/S&P AAA.

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2008

NOTE 3 - DEPOSITS AND INVESTMENTS - (CONTINUED)

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from participating members. The fund is not registered with the SEC as an investment company. Investments are each rated AAAm and are valued at share price, which is the price for which the investment could be sold.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are rated AAAm and are valued at Illinois Funds' share price, which is the price for which the investment could be sold.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The District's investment policy requires diversification of the investment portfolio to minimize risk of loss arising from over-concentration 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. At June 30, 2008, the District held more than 5% of its other investments portfolio in the following: General Electric Capital Commercial Paper (15.79%); Federal Home Loan Bank (22.50%) and Federal Home Loan Mortgage Corporation (55.21%).

Custodial Credit Risk - Deposits. With respect to deposits, custodial credit risk refers to 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. As of June 30, 2008, the bank balance of the District's deposit with financial institutions totaled \$483,792, all of which was fully collateralized or insured.

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

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

NOTE 4 - INTERFUND TRANSFERS

Also during the year, the Board of Education authorized the abatement of a portion of the Working Cash Fund, thereby transferring fund balance of \$800,000 to the Operations and Maintenance Fund.

State law allows for the above transfer.

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2008

NOTE 5 - CAPITAL ASSETS

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

	<i>Beginning Balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Ending Balance</i>
<u>Capital assets not being depreciated:</u>				
Land	\$ 269,291	\$ -	\$ -	\$ 269,291
Construction in progress	-	1,337,742	-	1,337,742
Total capital assets not being depreciated	269,291	1,337,742	-	1,607,033
<u>Capital assets being depreciated:</u>				
Land improvements	109,093	-	-	109,093
Building improvements	4,014,615	20,740	-	4,035,355
Equipment	2,415,098	14,520	-	2,429,618
Total capital assets being depreciated	6,538,806	35,260	-	6,574,066
<u>Less Accumulated Depreciation for:</u>				
Land improvements	109,093	-	-	109,093
Building improvements	2,557,971	80,499	-	2,638,470
Equipment	2,280,937	14,142	-	2,295,079
Total accumulated depreciation	4,948,001	94,641	-	5,042,642
Net capital assets being depreciated	1,590,805	(59,381)	-	1,531,424
Net governmental activities capital assets	\$ 1,860,096	\$ 1,278,361	\$ -	\$ 3,138,457

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

<i>Governmental Activities</i>	<i>Depreciation</i>
Regular programs	\$ 37,100
Special programs	7,041
Other instructional programs	1,391
Pupils	4,732
Instructional staff	6,540
General administration	5,044
School administration	3,937
Business	28,856
Total depreciation expense - governmental activities	\$ 94,641

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2008

NOTE 6 - OPERATING LEASES

The District leases equipment under noncancelable operating leases. Total costs for such leases were \$47,422 for the year ended June 30, 2008. At June 30, 2008, future minimum lease payments for these leases are as follows:

	<i>Year Ending June 30,</i>	<i>Amount</i>
2009		\$ 47,422
2010		47,422
2011		47,422
2012		<u>23,717</u>
Total		<u>\$ 165,983</u>

NOTE 7 - LONG TERM LIABILITIES

Changes in General Long-term Liabilities. The following is the long-term liability activity for the District for the year ended June 30, 2008:

	<i>Beginning Balance</i>	<i>Additions</i>	<i>Deletions</i>	<i>Ending Balance</i>	<i>Due Within One Year</i>
General obligation bonds	\$ 1,070,000	\$ -	\$ 120,000	\$ 950,000	\$ 125,000
Total bonds payable	<u>1,070,000</u>	<u>-</u>	<u>120,000</u>	<u>950,000</u>	<u>125,000</u>
Debt certificates	<u>740,000</u>	<u>-</u>	<u>70,000</u>	<u>670,000</u>	<u>75,000</u>
Total long-term liabilities - governmental activities	<u>\$ 1,810,000</u>	<u>\$ -</u>	<u>\$ 190,000</u>	<u>\$ 1,620,000</u>	<u>\$ 200,000</u>

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

<i>Purpose</i>	<i>Interest Rates</i>	<i>Original Indebtedness</i>	<i>Face Amount</i>
Series General Obligation School Bonds, Series 2004 dated September 1, 2004 are due in annual installments through January 1, 2015	2.50% - 3.55%	\$ 1,070,000	\$ 950,000
Total		<u>\$ 1,070,000</u>	<u>\$ 950,000</u>

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53**NOTES TO BASIC FINANCIAL STATEMENTS**

JUNE 30, 2008

NOTE 7 - LONG TERM LIABILITIES - (CONTINUED)

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

	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2009	\$ 125,000	\$ 29,171	\$ 154,171
2010	125,000	25,577	150,577
2011	130,000	21,590	151,590
2012	135,000	17,284	152,284
2013	140,000	12,745	152,745
2014 - 2018	<u>295,000</u>	<u>10,526</u>	<u>305,526</u>
Total	<u>\$ 950,000</u>	<u>\$ 116,893</u>	<u>\$ 1,066,893</u>

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2008, the statutory debt limit for the District was \$67,946,509, providing a debt margin of \$66,326,509. There are numerous covenants with which the District must comply in regard to these bond issues. As of June 30, 2008, the District was in compliance with all significant bond covenants, including federal arbitrage regulations.

Debt Certificates In 2006, the District entered into an agreement for \$820,000, to pay for the cost of energy maintenance repairs, renovations, and improvements. The obligations for the repayment will be repaid from the Operations and Maintenance Fund. Debt Certificates currently outstanding are as follows:

<i>Purpose</i>	<i>Interest Rates</i>	<i>Original Indebtedness</i>	<i>Face Amount</i>
Series Debt Certificates, Series 2006 dated April 1, 2006 are due in annual installments through January 1, 2016	3.60% - 4.00%	\$ 820,000	\$ 670,000
Total		<u>\$ 820,000</u>	<u>\$ 670,000</u>

Annual debt service requirements to maturity for Debt Certificates are as follows for governmental type activities:

	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2009	\$ 75,000	\$ 24,840	\$ 99,840
2010	75,000	22,046	97,046
2011	80,000	19,120	99,120
2012	80,000	16,000	96,000
2013	85,000	12,700	97,700
2014 - 2018	<u>275,000</u>	<u>16,700</u>	<u>291,700</u>
Total	<u>\$ 670,000</u>	<u>\$ 111,406</u>	<u>\$ 781,406</u>

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2008

NOTE 8 - RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters. To protect from such risks, the District participates in the following public entity risk pools: Suburban Cooperative Insurance Pool (SSCIP) which insures all of the District's property, general liability, automobile, employee dishonesty, and excess liability claims, and the School Employee Loss Fund (SELF) which covers workers' compensation claims. The District pays annual premiums to the pools for insurance coverage. The arrangements with the pools provide that each will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain levels established by the pools. There have been no significant reductions in insurance coverage from coverage in any of the past three fiscal years.

NOTE 9 - JOINT AGREEMENTS

The District is a member of LADSE (LaGrange Area Department Special Education), a joint agreement that provides certain special education services to residents of many school districts. The District believes that because it does not control the selection of the governing authority, and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards, these are not included as component units of the District.

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS

Teachers' Health Insurance Security

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

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

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

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2008

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

On Behalf Contributions to THIS Fund. The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 0.84 percent of pay during the year ended June 30, 2008. State of Illinois contributions were \$39,220, and the District recognized revenues and expenditures of this amount during the year. State contributions intended to match active member contributions during the years ended June 30, 2007 and 2006, were 0.80 percent of pay. State contributions on behalf of District employees were \$33,832 and \$30,272, respectively.

Employer Contributions to THIS Fund. The District also makes contributions to THIS Fund. The employer THIS Fund contribution was 0.63 percent during the year ended June 30, 2008 and 0.60 percent during the years ended June 30, 2007 and 2006. For the year ended June 30, 2008, the District paid \$29,415 to the THIS Fund. For the years ended June 30, 2007 and 2006, the District paid \$25,374 and \$21,947 to the THIS Fund, respectively, which was 100 percent of the required contribution.

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

NOTE 11 - RETIREMENT SYSTEMS

The retirement plans of the District include the Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF). Most funding for TRS is provided through payroll withholdings of certified employees and contributions made by the State of Illinois on-behalf of the District. IMRF is funded through property taxes and a perpetual lien of the District's corporate personal property replacement tax. Each retirement system is discussed below.

Teachers' Retirement System

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

Members of TRS include all active nonannuitants that are employed by a TRS-covered employer to provide services for which teacher certification is required. The active member contribution rate for the year ended June 30, 2008, was 9.4 percent of creditable earnings. These contributions, which may be paid on behalf of the employees by the employer, are submitted to TRS by the District. The District's payroll for the year ended June 30, 2008, included \$4,669,094 reported as creditable earnings to TRS. The active member contribution rate was also 9.4 percent for the years ended June 30, 2007 and 2006.

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2008

NOTE 11 - RETIREMENT SYSTEMS - (CONTINUED)

On Behalf Contributions. The State of Illinois also makes contributions directly to TRS on behalf of the District's TRS-covered employees. For the year ended June 30, 2008, State of Illinois contributions were based on 13.11 percent of creditable earnings not paid from federal funds, and the District recognized revenue and expenditures of \$612,118 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2007 and 2006, the State of Illinois contributions rates as percentages of creditable earnings not paid from federal funds were 9.78 percent (\$413,599) and 7.06 percent (\$267,149), respectively. The state contributions to TRS for the years ended June 30, 2008 were based on an actuarial formula. The state contributions for the years ended June 30, 2007 and June 30, 2006 were based on dollar amounts specified by the statute and were not actuarially determined.

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

2.2 Formula Contributions. For the years ended June 30, 2008, 2007 and 2006, the District contributed 0.58 percent of creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for those years were \$27,081, \$24,528 and \$22,704, respectively. This contribution was 100 percent of the required contributions.

TRS financial information, an explanation of TRS's benefits; and descriptions of member, employer and state funding requirements, can be found in the TRS *Comprehensive Annual Financial Report* for the year ended June 30, 2007. The report for the year ended June 30, 2008, is expected to be available in late 2008. The reports may be obtained by writing to the Teachers' Retirement System of the State of Illinois, P.O. Box 19253, 2815 West Washington Street, Springfield, IL 62794-9253. The most current report is also available on the TRS Web site at www.trs.illinois.gov.

Illinois Municipal Retirement Fund

The District's defined benefit pension plan, Illinois Municipal Retirement (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent multiple employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a financial report that includes financial statements and required supplementary information. The report may be obtained at www.imrf.org/pubs/pubs_homepage.htm or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The member rate is established by state statute. The District is required to contribute at an actuarially determined rate. The employer rate for calendar year 2007 was 11.53 percent of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (overfunded liability amortized on open basis). The amortization period at December 31, 2007 was 25 years.

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2008

NOTE 11 - RETIREMENT SYSTEMS - (CONTINUED)

For December 31, 2007, December 31, 2006 and December 31, 2005 the District's annual pension cost of \$70,096, \$56,504 and \$59,694, respectively, was equal to the District's required and actual contributions. The required contribution was determined as part of the December 31, 2005, actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor. The assumptions used for the 2007 actuarial valuation were based on the 2002-2004 experience study.

As of December 31, 2007, the most recent actuarial valuation date, the Regular plan was 60.11 percent funded. The actuarial accrued liability for benefits was \$834,805 and the actuarial value of assets was \$501,824 resulting in an underfunded actuarial accrued liability (UAAL) of \$332,981. The covered payroll (annual payroll of active employees covered by the plan) was \$607,941 and the ratio of the UAAL to the covered payroll was 54.77 percent.

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

NOTE 12 - CONSTRUCTION COMMITMENTS

As of June 30, 2008, the District is committed to approximately \$477,804 in expenditures in the upcoming years for various construction projects. These expenditures will be paid through the available fund balances and building bonds already issued.

NOTE 13 - STATE AND FEDERAL AID CONTINGENCIES

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

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BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF EMPLOYER'S CONTRIBUTIONS AND ANALYSIS OF FUNDING PROGRESS
JUNE 30, 2008

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/07	\$ 70,096	100%	\$ -
12/31/06	56,504	100%	-
12/31/05	59,694	100%	-
12/31/04	57,092	100%	-
12/31/03	25,331	100%	-
12/31/02	6,317	100%	-

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/07	\$ 501,824	\$ 834,805	\$ 332,981	60.11%	\$ 607,941	54.77%
12/31/06	410,416	689,227	278,811	59.55%	562,227	49.59%
12/31/05	492,250	785,205	292,955	62.69%	632,357	46.33%
12/31/04	721,820	879,126	157,306	82.11%	663,862	23.70%
12/31/03	686,662	778,680	92,018	88.18%	664,848	13.84%
12/31/02	969,104	942,784	(26,320)	102.79%	658,054	0.00%

Digest of Changes

Assumptions

The actuarial assumptions used to determine the actuarial accrued liability for 2007 are based on the 2002-2004 Experience Study.

The principal changes were:

- The 1994 Group Annuity Mortality implemented.
- For Regular members, fewer normal and more early retirements are expected to occur.

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BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53**GENERAL (EDUCATIONAL) FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL****FOR THE YEAR ENDED JUNE 30, 2008****WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007**

	2008			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2007 ACTUAL
Revenues				
Local sources				
General levy	\$ 6,183,726	\$ 6,080,321	\$ (103,405)	\$ 6,032,485
Corporate personal property replacement taxes	187,000	180,692	(6,308)	255,938
Regular tuition from pupils or parents	-	-	-	163
Interest income	200,000	301,011	101,011	260,484
Sales to pupils - a la carte	138,000	123,022	(14,978)	128,948
Sales to pupils - other	700	667	(33)	744
Fees	115,950	181,301	65,351	126,538
Contributions and donations from private sources	7,200	13,800	6,600	-
Refund of prior years' expenditures	-	1,535	1,535	9,251
Other	500	12,741	12,241	9,918
Total local sources	<u>6,833,076</u>	<u>6,895,090</u>	<u>62,014</u>	<u>6,824,469</u>
State sources				
General State Aid	109,949	111,244	1,295	110,852
Other Unrestricted Grants-In-Aid from State Source	-	-	-	7,079
Special Education - Private Facility Tuition	-	-	-	2,512
Special Education - Extraordinary	51,248	44,825	(6,423)	86,340
Special Education - Personnel	108,544	93,357	(15,187)	134,368
Special Education - Summer School	-	503	503	71
Reading Improvement Block Grant	15,784	15,784	-	17,642
School Safety & Educational Improvement Block Grant	18,926	17,266	(1,660)	18,941
Other Restricted Revenue from State Sources	426,567	-	(426,567)	-
On Behalf Payment to TRS from the State	-	651,339	651,339	413,599
Total state sources	<u>731,018</u>	<u>934,318</u>	<u>203,300</u>	<u>791,404</u>
Federal sources				
Title V - Innovation and Flexibility Formula	543	543	-	680
Special Milk Program	2,500	3,786	1,286	3,213
Title I - Low Income - Neglected, Private	-	-	-	10,644
Title IV - Safe & Drug Free Schools - Formula	918	918	-	1,596
Federal - Special Education - IDEA - Room & Board	-	8,859	8,859	-
Title II - Teacher Quality	14,377	16,687	2,310	12,228
Other Restricted Revenue from Federal Sources	350	326	(24)	347
Total federal sources	<u>18,688</u>	<u>31,119</u>	<u>12,431</u>	<u>28,708</u>
Total revenues	<u>7,582,782</u>	<u>7,860,527</u>	<u>277,745</u>	<u>7,644,581</u>

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53**GENERAL (EDUCATIONAL) FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL****FOR THE YEAR ENDED JUNE 30, 2008****WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007**

	2008			2007
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Expenditures				
Instruction				
Regular Programs				
Salaries	\$ 2,999,198	\$ 2,970,508	\$ 28,690	\$ 2,706,907
Employee benefits	599,850	568,773	31,077	543,821
On-behalf payments to TRS from the state	426,567	651,339	(224,772)	413,599
Purchased services	15,900	12,405	3,495	10,987
Supplies and materials	101,740	94,766	6,974	108,686
Capital outlay	700	700	-	-
Other objects	2,600	932	1,668	1,558
Total	<u>4,146,555</u>	<u>4,299,423</u>	<u>(152,868)</u>	<u>3,785,558</u>
Special Education Programs				
Salaries	617,657	635,718	(18,061)	557,182
Employee benefits	12,984	10,454	2,530	-
Purchased services	-	-	-	20,345
Supplies and materials	4,900	4,538	362	3,903
Other objects	5,200	-	5,200	-
Total	<u>640,741</u>	<u>650,710</u>	<u>(9,969)</u>	<u>581,430</u>
Interscholastic programs				
Salaries	124,500	122,097	2,403	122,852
Purchased services	1,280	572	708	802
Supplies and materials	200	-	200	91
Capital outlay	-	-	-	1,707
Other objects	8,747	9,358	(611)	8,261
Total	<u>134,727</u>	<u>132,027</u>	<u>2,700</u>	<u>133,713</u>
Summer school programs				
Supplies and materials	-	106	(106)	-
Total	<u>-</u>	<u>106</u>	<u>(106)</u>	<u>-</u>
Gifted programs				
Supplies and materials	2,085	2,305	(220)	1,620
Total	<u>2,085</u>	<u>2,305</u>	<u>(220)</u>	<u>1,620</u>
Bilingual programs				
Salaries	5,000	1,658	3,342	-
Total	<u>5,000</u>	<u>1,658</u>	<u>3,342</u>	<u>-</u>
Total instruction	<u>4,929,108</u>	<u>5,086,229</u>	<u>(157,121)</u>	<u>4,502,321</u>

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53**GENERAL (EDUCATIONAL) FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL**

FOR THE YEAR ENDED JUNE 30, 2008

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2007 ACTUAL
Support Services				
Pupils				
Attendance and social work services				
Salaries	\$ 93,015	\$ 93,015	\$ -	\$ 90,801
Employee benefits	5,000	3,948	1,052	3,571
Supplies and materials	1,000	737	263	519
Total	99,015	97,700	1,315	94,891
Health services				
Salaries	22,842	20,321	2,521	17,421
Purchased services	1,900	1,491	409	1,828
Supplies and materials	1,700	1,815	(115)	1,337
Capital outlay	1,100	1,125	(25)	-
Total	27,542	24,752	2,790	20,586
Psychological services				
Salaries	124,835	124,835	-	105,029
Purchased services	985	950	35	844
Supplies and materials	1,250	311	939	773
Total	127,070	126,096	974	106,646
Speech pathology and audiology services				
Salaries	216,982	212,080	4,902	204,335
Supplies and materials	2,842	3,621	(779)	1,237
Total	219,824	215,701	4,123	205,572
Total pupils	473,451	464,249	9,202	427,695
Instructional staff				
Improvement of instructional services				
Salaries	15,020	8,145	6,875	43,468
Employee benefits	20,874	5,695	15,179	21,639
Purchased services	3,000	928	2,072	3,812
Supplies and materials	400	-	400	-
Other objects	39,264	34,909	4,355	40,453
Total	78,558	49,677	28,881	109,372
Educational media services				
Salaries	270,064	269,550	514	257,267
Purchased services	78,900	73,017	5,883	74,044
Supplies and materials	106,667	95,303	11,364	93,325
Capital outlay	125,960	118,476	7,484	119,386
Other objects	300	30	270	1,367
Total	581,891	556,376	25,515	545,389

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53**GENERAL (EDUCATIONAL) FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL****FOR THE YEAR ENDED JUNE 30, 2008****WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007**

	2008			2007
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Assessment and testing				
Purchased services	\$ 28,000	\$ 32,564	\$ (4,564)	\$ 25,525
Supplies and materials	<u>3,000</u>	<u>2,982</u>	<u>18</u>	<u>2,126</u>
Total	<u>31,000</u>	<u>35,546</u>	<u>(4,546)</u>	<u>27,651</u>
Total instructional staff	<u>691,449</u>	<u>641,599</u>	<u>49,850</u>	<u>682,412</u>
General administration				
Board of education services				
Purchased services	156,322	139,749	16,573	151,464
Other objects	<u>21,500</u>	<u>21,852</u>	<u>(352)</u>	<u>21,556</u>
Total	<u>177,822</u>	<u>161,601</u>	<u>16,221</u>	<u>173,020</u>
Executive administration services				
Salaries	275,551	270,957	4,594	227,140
Employee benefits	35,199	35,364	(165)	32,490
Purchased services	5,000	4,186	814	5,053
Supplies and materials	9,500	8,642	858	8,701
Capital outlay	3,600	3,464	136	955
Other objects	<u>3,500</u>	<u>3,179</u>	<u>321</u>	<u>2,952</u>
Total	<u>332,350</u>	<u>325,792</u>	<u>6,558</u>	<u>277,291</u>
Total general administration	<u>510,172</u>	<u>487,393</u>	<u>22,779</u>	<u>450,311</u>
School administration				
Office of the principal services				
Salaries	319,141	324,125	(4,984)	301,592
Employee benefits	47,544	46,810	734	51,302
Purchased services	1,200	1,165	35	1,476
Supplies and materials	1,600	1,686	(86)	1,137
Capital outlay	250	-	250	1,171
Other objects	<u>1,550</u>	<u>1,175</u>	<u>375</u>	<u>1,671</u>
Total	<u>371,285</u>	<u>374,961</u>	<u>(3,676)</u>	<u>358,349</u>
Total school administration	<u>371,285</u>	<u>374,961</u>	<u>(3,676)</u>	<u>358,349</u>
Business				
Direction of business support services				
Salaries	64,060	64,059	1	55,510
Employee benefits	17,957	17,511	446	16,881
Purchased services	26,116	25,858	258	22,278
Supplies and materials	1,000	818	182	191
Capital outlay	500	725	(225)	-
Other objects	<u>250</u>	<u>-</u>	<u>250</u>	<u>235</u>
Total	<u>109,883</u>	<u>108,971</u>	<u>912</u>	<u>95,095</u>

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53**GENERAL (EDUCATIONAL) FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL****FOR THE YEAR ENDED JUNE 30, 2008****WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007**

	2008		VARIANCE WITH FINAL BUDGET	2007 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Fiscal services				
Purchased services	\$ 64,000	\$ 58,192	\$ 5,808	\$ 5,991
Total	64,000	58,192	5,808	5,991
Food services				
Salaries	38,500	38,094	406	38,073
Purchased services	2,500	4,543	(2,043)	2,130
Supplies and materials	130,000	106,889	23,111	123,093
Total	171,000	149,526	21,474	163,296
Internal services				
Salaries	27,000	22,742	4,258	22,757
Employee benefits	5,859	5,601	258	5,431
Purchased services	-	-	-	54,689
Supplies and materials	12,000	10,923	1,077	10,570
Total	44,859	39,266	5,593	93,447
Total business	389,742	355,955	33,787	357,829
Total support services	2,436,099	2,324,157	111,942	2,276,596
Nonprogrammed charges				
Payments for special education programs				
Purchased services	85,800	85,154	646	89,297
Other objects	8,015	6,956	1,059	7,030
Tuition	70,000	112,975	(42,975)	50,785
Total	163,815	205,085	(41,270)	147,112
Total nonprogrammed charges	163,815	205,085	(41,270)	147,112
Provision for contingencies	53,760	-	53,760	-
Total expenditures	7,582,782	7,615,471	(32,689)	6,926,029
Net change in fund balance	\$ -	245,056	\$ 245,056	718,552
Fund balance, beginning of year		5,605,041		4,886,489
Fund balance, end of year		\$ 5,850,097		\$ 5,605,041

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53
OPERATIONS AND MAINTENANCE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL

FOR THE YEAR ENDED JUNE 30, 2008

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008			2007
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 905,641	\$ 891,104	\$ (14,537)	\$ 785,535
Corporate personal property replacement taxes	175,000	212,006	37,006	100,000
Interest income	25,000	25,446	446	53,631
Rentals	8,000	5,625	(2,375)	13,070
Contributions and donations from private sources	285,000	339,000	54,000	-
Other	-	-	-	5,824
Total local sources	<u>1,398,641</u>	<u>1,473,181</u>	<u>74,540</u>	<u>958,060</u>
Total revenues	<u>1,398,641</u>	<u>1,473,181</u>	<u>74,540</u>	<u>958,060</u>
Expenditures				
Support Services				
Business				
Operation and maintenance of plant services				
Salaries	152,706	155,166	(2,460)	138,536
Employee benefits	36,486	37,957	(1,471)	47,821
Purchased services	297,450	272,529	24,921	264,464
Supplies and materials	313,500	255,080	58,420	245,509
Capital outlay	1,531,227	1,429,349	101,878	722,243
Other objects	-	240	(240)	235
Total	<u>2,331,369</u>	<u>2,150,321</u>	<u>181,048</u>	<u>1,418,808</u>
Total business	<u>2,331,369</u>	<u>2,150,321</u>	<u>181,048</u>	<u>1,418,808</u>
Total support services	<u>2,331,369</u>	<u>2,150,321</u>	<u>181,048</u>	<u>1,418,808</u>
Debt services				
Other interest	<u>114,500</u>	<u>27,505</u>	<u>86,995</u>	<u>30,222</u>
Debt certificates				
Debt certificate principal retired	-	70,000	(70,000)	80,000
Total	<u>-</u>	<u>70,000</u>	<u>(70,000)</u>	<u>80,000</u>
Total debt services	<u>114,500</u>	<u>97,505</u>	<u>16,995</u>	<u>110,222</u>

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53**OPERATIONS AND MAINTENANCE FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL****FOR THE YEAR ENDED JUNE 30, 2008****WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007**

	2008		VARIANCE WITH FINAL BUDGET	2007 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Provision for contingencies	\$ 20,000	\$ -	\$ 20,000	\$ -
Total expenditures	2,465,869	2,247,826	218,043	1,529,030
Excess (deficiency) of revenues over expenditures	(1,067,228)	(774,645)	292,583	(570,970)
Other financing sources (uses)				
Permanent transfer from working cash fund - abatement	500,000	800,000	300,000	500,000
Total other financing sources (uses)	500,000	800,000	300,000	500,000
Net change in fund balance	\$ (567,228)	25,355	\$ 592,583	(70,970)
Fund balance, beginning of year		960,119		1,031,089
Fund balance, end of year		\$ 985,474		\$ 960,119

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BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53**TRANSPORTATION FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL****FOR THE YEAR ENDED JUNE 30, 2008****WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007**

	2008			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2007 ACTUAL
Revenues				
Local sources				
General levy	\$ 342,295	\$ 337,246	\$ (5,049)	\$ 337,399
Regular transportation fees from pupils or parents	2,000	759	(1,241)	2,693
Interest income	<u>7,000</u>	<u>11,223</u>	<u>4,223</u>	<u>15,690</u>
Total local sources	<u>351,295</u>	<u>349,228</u>	<u>(2,067)</u>	<u>355,782</u>
State sources				
Transportation - Regular/Vocational	7,563	5,672	(1,891)	8,858
Transportation - Special Education	<u>16,754</u>	<u>12,497</u>	<u>(4,257)</u>	<u>15,617</u>
Total state sources	<u>24,317</u>	<u>18,169</u>	<u>(6,148)</u>	<u>24,475</u>
Total revenues	<u>375,612</u>	<u>367,397</u>	<u>(8,215)</u>	<u>380,257</u>
Expenditures				
Support Services				
Business				
Pupil transportation services				
Purchased services	<u>336,850</u>	<u>315,020</u>	<u>21,830</u>	<u>325,126</u>
Total	<u>336,850</u>	<u>315,020</u>	<u>21,830</u>	<u>325,126</u>
Total business	<u>336,850</u>	<u>315,020</u>	<u>21,830</u>	<u>325,126</u>
Total support services	<u>336,850</u>	<u>315,020</u>	<u>21,830</u>	<u>325,126</u>
Total expenditures	<u>336,850</u>	<u>315,020</u>	<u>21,830</u>	<u>325,126</u>
Net change in fund balance	<u>\$ 38,762</u>	52,377	<u>\$ 13,615</u>	55,131
Fund balance, beginning of year		<u>386,218</u>		<u>331,087</u>
Fund balance, end of year		<u>\$ 438,595</u>		<u>\$ 386,218</u>

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53**MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL****FOR THE YEAR ENDED JUNE 30, 2008****WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007**

	2008			2007
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 169,749	\$ 93,159	\$ (76,590)	\$ 158,891
Social security/medicare only levy	-	74,528	74,528	-
Corporate personal property replacement taxes	-	7,044	7,044	6,711
Interest income	<u>4,000</u>	<u>6,503</u>	<u>2,503</u>	<u>8,878</u>
Total local sources	<u>173,749</u>	<u>181,234</u>	<u>7,485</u>	<u>174,480</u>
Total revenues	<u>173,749</u>	<u>181,234</u>	<u>7,485</u>	<u>174,480</u>
Expenditures				
Instruction				
Regular programs	36,500	36,266	234	33,275
Special education programs	51,000	48,708	2,292	47,416
Interscholastic programs	<u>1,700</u>	<u>1,863</u>	<u>(163)</u>	<u>1,938</u>
Total instruction	<u>89,200</u>	<u>86,837</u>	<u>2,363</u>	<u>82,629</u>
Support Services				
Pupils				
Attendance and social work services	1,500	1,327	173	1,305
Health services	1,700	2,145	(445)	3,784
Speech pathology and audiology services	<u>2,500</u>	<u>2,509</u>	<u>(9)</u>	<u>-</u>
Total pupils	<u>5,700</u>	<u>5,981</u>	<u>(281)</u>	<u>5,089</u>
Instructional staff				
Improvement of instructional staff	1,000	117	883	-
Educational media services	<u>14,000</u>	<u>8,224</u>	<u>5,776</u>	<u>10,947</u>
Total instructional staff	<u>15,000</u>	<u>8,341</u>	<u>6,659</u>	<u>10,947</u>
General administration				
Executive administration services	9,900	10,035	(135)	9,409
Special area administration services	<u>4,500</u>	<u>3,984</u>	<u>516</u>	<u>3,886</u>
Total general administration	<u>14,400</u>	<u>14,019</u>	<u>381</u>	<u>13,295</u>
School administration				
Office of the principal services	<u>16,700</u>	<u>16,499</u>	<u>201</u>	<u>14,603</u>
Total school administration	<u>16,700</u>	<u>16,499</u>	<u>201</u>	<u>14,603</u>

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53**MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL****FOR THE YEAR ENDED JUNE 30, 2008****WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007**

	2008			2007 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Business				
Direction of business support services	\$ 11,200	\$ 12,057	\$ (857)	\$ 10,190
Operations and maintenance of plant services	34,000	28,736	5,264	24,811
Food services	700	355	345	-
Internal services	<u>4,750</u>	<u>3,481</u>	<u>1,269</u>	<u>3,469</u>
Total business	<u>50,650</u>	<u>44,629</u>	<u>6,021</u>	<u>38,470</u>
Total support services	<u>102,450</u>	<u>89,469</u>	<u>12,981</u>	<u>82,404</u>
Total expenditures	<u>191,650</u>	<u>176,306</u>	<u>15,344</u>	<u>165,033</u>
Net change in fund balance	<u>\$ (17,901)</u>	4,928	<u>\$ 22,829</u>	9,447
Fund balance, beginning of year		<u>183,130</u>		<u>173,683</u>
Fund balance, end of year		<u>\$ 188,058</u>		<u>\$ 183,130</u>

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53**WORKING CASH FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL****FOR THE YEAR ENDED JUNE 30, 2008****WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007**

	2008			2007 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Revenues				
Local sources				
Interest income	\$ 40,000	\$ 41,358	\$ 1,358	\$ 87,260
Total local sources	40,000	41,358	1,358	87,260
Total revenues	40,000	41,358	1,358	87,260
Expenditures				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	40,000	41,358	1,358	87,260
Other financing sources (uses)				
Permanent transfer of working cash fund- abatement	(500,000)	(800,000)	(300,000)	(500,000)
Total other financing sources (uses)	(500,000)	(800,000)	(300,000)	(500,000)
Net change in fund balance	\$ (460,000)	(758,642)	\$ (298,642)	(412,740)
Fund balance, beginning of year		1,065,404		1,478,144
Fund balance, end of year		\$ 306,762		\$ 1,065,404

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

JUNE 30, 2008

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Data

The budgeted amounts for the Governmental Funds are adopted on the cash basis, which is consistent with cash basis of accounting prescribed by the program accounting manual for Illinois school districts.

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

1. The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December, a tax levy resolution is filed with the county clerk to obtain tax revenues.
4. 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 any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education, after following the public hearing process mandated by law.
5. Formal budgetary integration is employed as a management control device during the year for all governmental funds.
6. All budget appropriations lapse at the end of the fiscal year.

The budget amounts shown in the financial statements are as originally adopted because there were no amendments during the past fiscal year.

Excess of Expenditures over Budget

For the year ended June 30, 2008, expenditures exceeded budget in the General (Educational) Fund by \$32,689 and the Bond and Interest Fund by \$3,637. These excesses were funded by available fund balances.

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BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53**BOND AND INTEREST FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL****FOR THE YEAR ENDED JUNE 30, 2008****WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007**

	2008			2007
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 157,624	\$ 153,270	\$ (4,354)	\$ 160,604
Interest income	<u>3,000</u>	<u>3,717</u>	<u>717</u>	<u>6,289</u>
Total local sources	<u>160,624</u>	<u>156,987</u>	<u>(3,637)</u>	<u>166,893</u>
Total revenues	<u>160,624</u>	<u>156,987</u>	<u>(3,637)</u>	<u>166,893</u>
Expenditures				
Debt services				
Bonds				
Bonds - interest	<u>32,390</u>	<u>32,390</u>	<u>-</u>	<u>36,979</u>
Total	<u>32,390</u>	<u>32,390</u>	<u>-</u>	<u>36,979</u>
Bond principal retired	<u>120,000</u>	<u>120,000</u>	<u>-</u>	<u>143,000</u>
Other debt service				
Other	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>980</u>
Total	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>980</u>
Total debt services	<u>153,390</u>	<u>153,390</u>	<u>-</u>	<u>180,959</u>
Total expenditures	<u>153,390</u>	<u>153,390</u>	<u>-</u>	<u>180,959</u>
Excess (deficiency) of revenues over expenditures	<u>7,234</u>	<u>3,597</u>	<u>(3,637)</u>	<u>(14,066)</u>
Net change in fund balance	<u>\$ 7,234</u>	<u>3,597</u>	<u>\$ (3,637)</u>	<u>(14,066)</u>
Fund balance, beginning of year		<u>96,646</u>		<u>110,712</u>
Fund balance, end of year		<u>\$ 100,243</u>		<u>\$ 96,646</u>

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53**FIRE PREVENTION AND LIFE SAFETY FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
BUDGET TO ACTUAL****FOR THE YEAR ENDED JUNE 30, 2008****WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007**

	2008			2007 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Revenues				
Local sources				
Interest income	\$ 50	\$ 1,578	\$ 1,528	\$ 32
Total local sources	50	1,578	1,528	32
Total revenues	50	1,578	1,528	32
Expenditures				
Total expenditures	-	-	-	-
Net change in fund balance	\$ 50	1,578	\$ 1,528	32
Fund balance, beginning of year		3,496		3,464
Fund balance, end of year		\$ 5,074		\$ 3,496

BUTLER SCHOOL DISTRICT NO. 53
AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2008

	BALANCE JUNE 30, 2007	ADDITIONS	DELETIONS	TRANSFERS	BALANCE JUNE 30, 2008
Assets					
Cash	\$ 10,539	\$ 117,879	\$ 113,354	\$ -	\$ 15,064
Total assets	<u>\$ 10,539</u>	<u>\$ 117,879</u>	<u>\$ 113,354</u>	<u>\$ -</u>	<u>\$ 15,064</u>
Liabilities					
Due to activity fund organizations:					
Brook Forest School					
Art	\$ 2,222	\$ 548	\$ 685	\$ -	\$ 2,085
Soda	265	1,367	1,455	-	177
Student Council	-	5,445	4,980	-	465
Yearbook	(12,953)	7,216	2,915	-	(8,652)
Musical	89	560	596	-	53
Grant	1,837	825	1,193	-	1,469
Book Fund	2,788	600	19	-	3,369
Science Club	440	-	175	-	265
Library	1,591	2,146	1,884	-	1,853
Birthday Book	-	920	925	-	(5)
LHO	-	223	365	-	(142)
Great Books	1,445	5,980	5,585	-	1,840
Other	-	1,932	1,884	-	48
Poetry	810	240	345	-	705
Paul Butler School					
Grants	5,012	50	1,175	107	3,994
Band	-	250	-	-	250
Soda	47	696	762	-	(19)
Student Council	156	2,501	2,144	-	513
Yearbook	(8,236)	7,006	5,161	-	(6,391)
Musical	-	465	527	-	(62)
BJH Vending	832	2,615	1,367	-	2,080
Transaction-Other	(250)	3,765	1,733	-	1,782
8th Grade	7,748	9,564	17,007	-	305
Sports	-	3,038	3,028	246	256
Julie Heidecke	373	1,000	-	-	1,373
Basketball	200	-	-	(200)	-
Math Team	-	2,000	1,488	-	512
Parent Computer Class	700	-	-	-	700
Soccer	1	-	-	(1)	-
PTO	-	47,756	46,849	-	907
Supply Boxes	4,728	4,039	4,410	-	4,357
Science Club	96	-	-	(96)	-
Spanish Club	11	-	-	(11)	-
Sweat Suits	-	2,178	1,682	-	496
Golf	45	-	-	(45)	-
Springfield Trip	542	2,954	3,015	-	481
Total liabilities	<u>\$ 10,539</u>	<u>\$ 117,879</u>	<u>\$ 113,354</u>	<u>\$ -</u>	<u>\$ 15,064</u>
Total Agency Funds	<u>\$ 10,539</u>	<u>\$ 117,879</u>	<u>\$ 113,354</u>	<u>\$ -</u>	<u>\$ 15,064</u>

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53
OPERATING COST AND TUITION CHARGE
JUNE 30, 2008

	2008	2007
Operating cost per pupil		
Average Daily Attendance (ADA):	<u>421</u>	<u>471</u>
Operating Costs:		
Educational	\$ 6,964,132	\$ 6,512,430
Operations and Maintenance	2,247,826	1,529,030
Bond and Interest	153,390	180,959
Transportation	315,020	325,126
Municipal Retirement/Social Security	<u>176,306</u>	<u>165,033</u>
Subtotal	<u>9,856,674</u>	<u>8,712,578</u>
Less Revenues/Expenditures of Nonregular Programs:		
Tuition	112,975	50,785
Summer school	106	-
Capital outlay	1,553,839	845,462
Debt principal retired	190,000	223,000
Nonprogrammed charges	<u>92,110</u>	<u>96,327</u>
Subtotal	<u>1,949,030</u>	<u>1,215,574</u>
Operating costs	<u>\$ 7,907,644</u>	<u>\$ 7,497,004</u>
Operating Cost Per Pupil - Based on ADA	<u>\$ 18,783</u>	<u>\$ 15,917</u>
Tuition charge		
Operating Costs	\$ 7,907,644	\$ 7,497,004
Less - revenues from specific programs, such as special education or lunch programs	<u>532,397</u>	<u>585,050</u>
Net operating costs	7,375,247	6,911,954
Depreciation allowance	<u>229,388</u>	<u>327,257</u>
Allowable Tuition Costs	<u>\$ 7,604,635</u>	<u>\$ 7,239,211</u>
Tuition Charge Per Pupil - based on ADA	<u>\$ 18,063</u>	<u>\$ 15,370</u>

BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53
GENERAL OBLIGATION SCHOOL BONDS SERIES 2004, ISSUE SEPTEMBER 1, 2004
JUNE 30, 2008

YEAR ENDED JUNE 30,	PRINCIPAL	INTEREST	TOTAL
2009	\$ 125,000	\$ 29,171	\$ 154,171
2010	125,000	25,577	150,577
2011	130,000	21,590	151,590
2012	135,000	17,284	152,284
2013	140,000	12,745	152,745
2014	145,000	7,863	152,863
2015	<u>150,000</u>	<u>2,663</u>	<u>152,663</u>
Total	<u>\$ 950,000</u>	<u>\$ 116,893</u>	<u>\$ 1,066,893</u>

Paying Agent: Amalgamated Bank

Principal payment date: January 1

Interest payment dates: July 1 and January 1

Interest rates: 2.50% - 3.55%

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BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53

DEBT CERTIFICATES SERIES 2006, ISSUE APRIL 1, 2006

JUNE 30, 2008

YEAR ENDED JUNE 30,	PRINCIPAL	INTEREST	TOTAL
2009	\$ 75,000	\$ 24,840	\$ 99,840
2010	75,000	22,046	97,046
2011	80,000	19,120	99,120
2012	80,000	16,000	96,000
2013	85,000	12,700	97,700
2014	90,000	9,200	99,200
2015	90,000	5,600	95,600
2016	<u>95,000</u>	<u>1,900</u>	<u>96,900</u>
Total	<u>\$ 670,000</u>	<u>\$ 111,406</u>	<u>\$ 781,406</u>

Paying Agent:

The Northern Trust Company

Principal payment date:

January 1

Interest payment dates:

July 1 and January 1

Interest rates:

3.60% - 4.00%

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