

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10

TUCSON, ARIZONA

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Issued by:
Finance Department

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10

TABLE OF CONTENTS

INTRODUCTORY SECTION

	<u>Page</u>
Letter of Transmittal	i
ASBO Certificate of Excellence	vi
GFOA Certificate of Achievement	vii
Organizational Chart	viii
List of Principal Officials	ix

FINANCIAL SECTION

INDEPENDENT AUDITOR’S REPORT	1
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A) (Required Supplementary Information)	5
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Position	18
Statement of Activities	19
Fund Financial Statements:	
Balance Sheet – Governmental Funds	22
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	25
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	26
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities	28
Statement of Net Position – Proprietary Funds	29
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	30

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10

TABLE OF CONTENTS (Cont'd)

<u>FINANCIAL SECTION</u> (Cont'd)	<u>Page</u>
BASIC FINANCIAL STATEMENTS (Concl'd)	
Statement of Cash Flows – Proprietary Funds	31
Statement of Assets and Liabilities – Fiduciary Funds	32
Notes to Financial Statements	33
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (Required Supplementary Information)	
General Fund	54
Note to Required Supplementary Information	55
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES	
Governmental Funds:	
Combining Balance Sheet – All Non-Major Governmental Funds – By Fund Type	60
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – All Non-Major Governmental Funds – By Fund Type	61
Special Revenue Funds:	
Combining Balance Sheet	66
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	72
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	78
Debt Service Fund:	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	102

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10

TABLE OF CONTENTS (Cont'd)

<u>FINANCIAL SECTION (Concl'd)</u>	<u>Page</u>
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES (Concl'd)	
Capital Projects Funds:	
Combining Balance Sheet	104
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	105
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	106
Internal Service Funds:	
Combining Statement of Net Position	112
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	113
Combining Statement of Cash Flows	114
Agency Funds:	
Combining Statement of Assets and Liabilities	116
Combining Statement of Changes in Assets and Liabilities	118
 <u>STATISTICAL SECTION</u>	
Financial Trends:	
Net Position by Component	123
Expenses, Program Revenues, and Net (Expense)/Revenue	124
General Revenues and Total Changes in Net Position	126
Fund Balances – Governmental Funds	128

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10

TABLE OF CONTENTS (Concl'd)

<u>STATISTICAL SECTION</u> (Concl'd)	<u>Page</u>
Governmental Funds Revenues	130
Governmental Funds Expenditures and Debt Service Ratio	132
Other Financing Sources and Uses and Net Changes in Fund Balances – Governmental Funds	134
Revenue Capacity:	
Assessed Value and Estimated Actual Value of Taxable Property	135
Assessed Value and Estimated Actual Value of Taxable Property by Class	136
Property Tax Assessment Ratios	137
Direct and Overlapping Property Tax Rates	138
Principal Property Taxpayers	139
Property Tax Levies and Collections	140
Debt Capacity:	
Outstanding Debt by Type	141
Direct and Overlapping Governmental Activities Debt	142
Legal Debt Margin Information	143
Demographic and Economic Information:	
County-Wide Demographic and Economic Statistics	144
Principal Employers	145
Operating Information:	
Full-Time Equivalent District Employees by Type	146
Operating Statistics	148
Capital Assets Information	149

(This page intentionally left blank)

INTRODUCTORY SECTION

(This page intentionally left blank)



FINANCE & ACCOUNTING

Scott Little

Chief Financial Officer

(520) 696-5130

Fax (520) 696-5065

701 W. Wetmore Road, Tucson, AZ 85705 • (520) 696-5000 • FAX (520) 696-5064 • TDD (520) 696-5055

GOVERNING BOARD MEMBERS

Susan Zibrat
President

Kent Paul Barrabee, Ph.D.
Vice President

Julie Cozad, M.Ed.

Deanna M. Day, M.Ed.

Jo Grant

SUPERINTENDENT
Patrick Nelson

December 18, 2013

Citizens and Governing Board
Amphitheater Unified School District No. 10
701 West Wetmore Road
Tucson, Arizona 85705-1547

State law mandates that school districts are required to undergo an annual single audit and publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States by a certified public accounting firm licensed in the State of Arizona. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Amphitheater Unified School District No. 10 (District) for the fiscal year ended June 30, 2013.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with accounting principles generally accepted in the United States of America. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free of material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by Heinfeld, Meech & Co., P.C., a certified public accounting firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2013, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting

principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2013, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated Single Audit as required by the provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the District's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in a separately issued Single Audit Reporting Package.

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

PROFILE OF THE DISTRICT

The District is one of 18 public school districts located in Pima County, Arizona. It provides a program of public education from preschool through grade 12 with a student population of 13,769 students as of June 30, 2013.

The District's Governing Board is organized under Section 15-321 of the Arizona Revised Statutes (A.R.S.). Management of the District is independent of other state or local governments. The County Treasurer collects taxes for the District, but exercises no control over its expenditures/expenses.

The membership of the Governing Board consists of five members elected by the public. Under existing statutes, the Governing Board's duties and powers include, but are not limited to, the acquisition, maintenance and disposition of school property; the development and adoption of a school program; and the establishment, organization and operation of schools. The Board also has broad financial responsibilities, including the approval of the annual budget, and the establishment of a system of accounting and budgetary controls.

The financial reporting entity consists of a primary government and its component units. A component unit is a legally separate entity that must be included in the reporting entity in conformity with generally accepted accounting principles. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Furthermore, there are no component units combined with the District for financial statement presentation

purposes, and the District is not included in any other governmental reporting entity. Consequently, the District's financial statements include only the funds of those organizational entities for which its elected governing board is financially accountable. The District's major operations include education, student transportation, construction and maintenance of District facilities, food services, bookstore, and athletic functions.

The Amphitheater Unified School District No. 10 of Pima County, Arizona is situated in the northeastern portion of Pima County, Arizona, which is in south central Arizona. The boundaries of the District encompass an area of approximately 108 square miles, lying within and to the north of the City of Tucson. To the north of the City of Tucson is the Town of Oro Valley, which is totally within the District. Tucson is the County seat and is the population and economic center of southern Arizona.

The economy of the District is primarily based on light manufacturing, retail trade, automobile sales and tourism, and is supplemented by government, medical, and health services. During the 2012-13 school year, the District had a total estimated actual property valuation of \$13,052,984,589, a decrease of approximately 4.3 percent over the previous year.

The District expects the recent pattern of decreased economic development and assessed valuations to stabilize by 2014. Arizona's property valuation system is based upon property valuations that are delayed approximately two years. The District expects property valuations to decrease in the next two years and then stabilize by 2015. This decline has been anticipated and should not produce significant consequences for the District. However, the District is unable to anticipate the actions of the Arizona Legislature. These actions could create significant financial issues for the District as the State of Arizona balances its budget at the expense of its political subdivisions.

The annual expenditure budget serves as the foundation for the District's financial planning and control. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual expenditure budget approved by the District's Governing Board.

The expenditure budget is prepared by fund for all Governmental Funds, and includes function and object code detail for the General Fund and some Special Revenue Funds and Capital Projects Funds. The legal level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established at the individual fund level for all funds. Funds that are not required to legally adopt a budget may have an over expenditure of budgeted funds. The budget for these funds is simply an estimate and does not prevent the District from exceeding the budget as long as the necessary revenue is earned. The District is not required to prepare an annual budget of revenue; therefore, a deficit budgeted fund balance may be presented. However, this does not affect the District's ability to expend monies.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the District operates.

Local Economy. Tucson is the major city located in the center of eastern Pima County, which encompasses an area of approximately 9,200 square miles in southeastern Arizona. Approximately 70 percent of Pima County consists of Federal, State and Indian-owned lands. The region is well positioned geographically and culturally for trade with Mexico.

Long a favorite destination for tourists and a mining hub, in the past twenty years, Tucson's economy has become a more diverse economy expanding to include such industries as health care, education, and manufacturing. In its strategic plan, the City of Tucson outlines its plan for the development of a clear economic identity for the metropolitan area, by emphasizing continued diversification of the current manufacturing base and encouraging an increase of jobs in international trade. The number of manufacturing and wholesale businesses located in the Tucson area continues to grow and has been stimulated by a combination of a warm climate, a substantial well-educated labor pool, and a governmental climate that has been supportive of economic growth and investment.

A few of the major firms represented in Tucson include manufacturing employers such as Raytheon Missile Systems, Freeport McMoran Copper & Gold, Inc., Intuit Incorporated, IBM Corporation, Sunquest Information Systems, Tucson Newspapers, Kalil Bottling Company, and Sargent Control & Aerospace. This diverse group is joined by various non-manufacturing employers such as Walmart Stores, TMC Healthcare, Carondelet Health Network, as well as Davis-Monthan Air Force Base.

In addition, the Tucson area provides excellent educational and training opportunities through educational institutions such as the University of Arizona, the University of Phoenix, Pima Community College, and other providers of educational services, including Amphitheater Unified School District. For 120 years, Amphitheater Public Schools have contributed to the educational development of the residents of northwest Tucson. The District also recognizes the need for growth and diversification in the economy and continues to review its curriculum to prepare its students for the future economic opportunities that the region and the world will offer.

The District expects the Tucson unemployment rate to remain stable through at least 2014. The District expects declines in the amount of residential foreclosures. The District is not anticipating any cash flow disruptions from higher residential foreclosures.

Long-term Financial Planning. Amphitheater Unified School District continues to experience slight declines in student populations despite new home construction in the northern end of the District and in Pinal County. The District completed a demographic study in 2007 to better plan for future needs. New home construction started to drop in the middle of 2007. The commercial property build out declined in 2012 as a result of the demand catching up to the prior home construction growth. The District expects new commercial property development to increase during the 2013-14 fiscal year.

Major Initiatives. The District continued capital projects from the \$180.0 million bond program started in 2007-08. The District issued the final bond sale of \$42.0 million in October 2013 bringing the total for these bond projects to \$141.0 million. The District voters authorized the construction of a new middle school as part of this bond program. However, economic and population changes do not support the construction of this school and the voter authorization will not be used.

AWARDS AND ACKNOWLEDGMENTS

Awards. The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2012. This was the sixteenth consecutive year that the District has received this prestigious award. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2012. In order to be awarded these certificates, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

These certificates are valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the programs' requirements and we are submitting it to ASBO and GFOA to determine its eligibility for the fiscal year 2012-13 certificates.

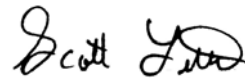
Acknowledgments. The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

In closing, without the leadership and support of the Governing Board of the District, preparation of this report would not have been possible.

Respectfully submitted,



Patrick Nelson
Superintendent



Scott Little
Chief Financial Officer

Association of School Business Officials International



*The Certificate of Excellence in Financial Reporting Award
is presented to*

Amphitheater Unified School District No. 10

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2012*

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards



A handwritten signature in black ink, reading "Ron McCulley", written over a horizontal line.

Ron McCulley, CPPB, RSBO
President

A handwritten signature in black ink, reading "John D. Musso", written over a horizontal line.

John D. Musso, CAE, RSBA
Executive Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

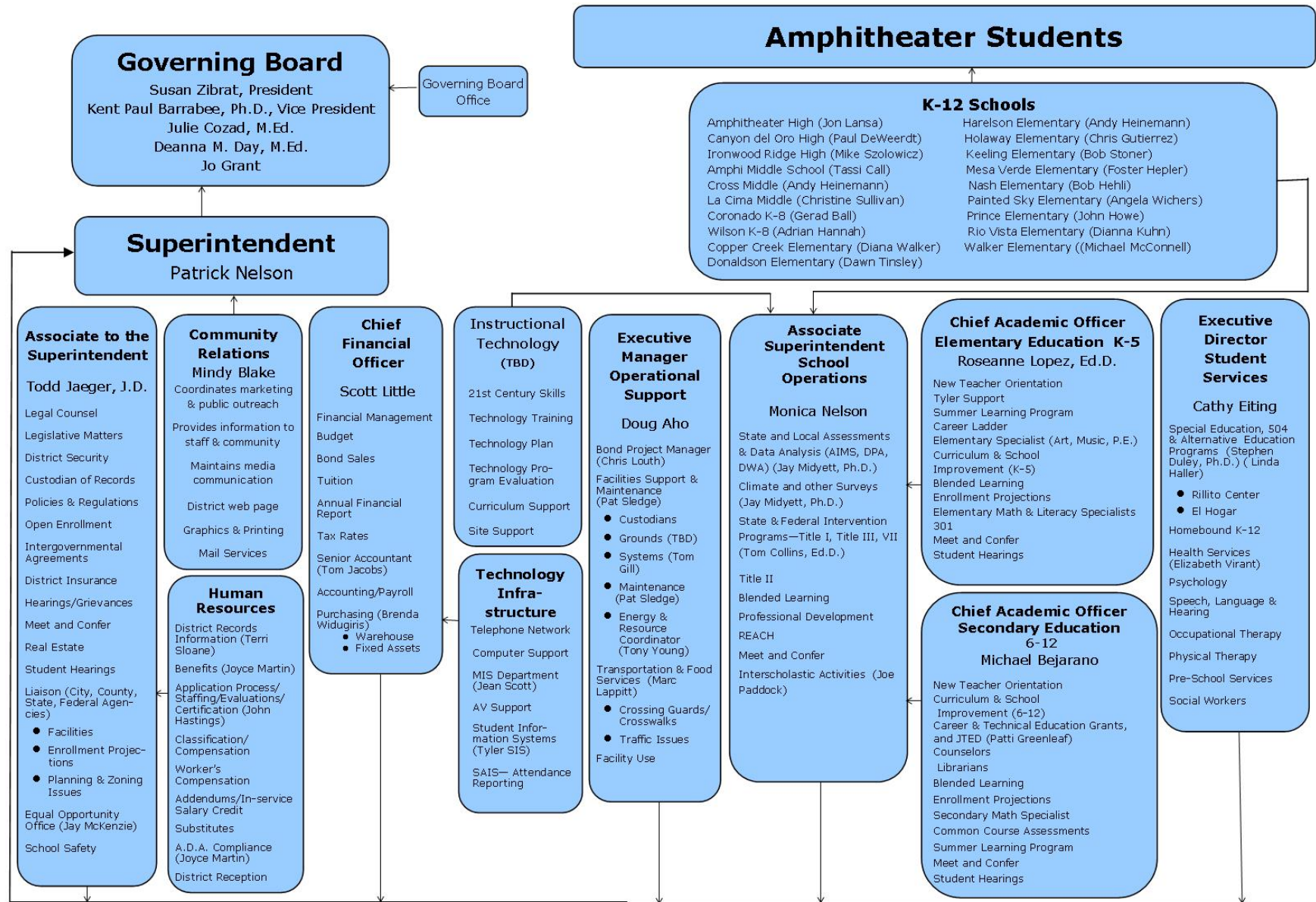
**Amphitheater Unified School
District No. 10, Arizona**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

Amphitheater Unified School District Organizational Chart 2012-2013



AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10

LIST OF PRINCIPAL OFFICIALS

GOVERNING BOARD

Susan Zibrat
President

Kent Paul Barrabee, Ph.D.
Vice President

Julie Cozad, M.Ed.
Member

Deanna M. Day, M.Ed.
Member

Jo Grant
Member

ADMINISTRATIVE STAFF

Patrick Nelson, Ph.D., Superintendent

Todd A. Jaeger, J.D., Associate to the Superintendent

Monica Nelson, Associate Superintendent School Operations

Scott Little, Chief Financial Officer

(This page intentionally left blank)

FINANCIAL SECTION

(This page intentionally left blank)

INDEPENDENT AUDITOR'S REPORT

Governing Board
Amphitheater Unified School District No. 10

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Amphitheater Unified School District No. 10 (District), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Amphitheater Unified School District No. 10, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 1, the District implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, for the year ended June 30, 2013, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 14 and budgetary comparison information on pages 54 and 55 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2013, on our consideration of Amphitheater Unified School District No. 10's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Amphitheater Unified School District No. 10's internal control over financial reporting and compliance.

Heinfeld, Meech & Co., P.C.

HEINFELD, MEECH & CO., P.C.
CPAs and Business Consultants

December 18, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
(Required Supplementary Information)

(This page intentionally left blank)

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2013**

As management of the Amphitheater Unified School District No. 10 (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

- The District's total net position of governmental activities increased \$1.4 million which represents a less than one percent increase from the prior fiscal year.
- General revenues accounted for \$103.5 million in revenue, or 82 percent of all current fiscal year revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$22.6 million or 18 percent of total current fiscal year revenues.
- The District had approximately \$124.7 million in expenses related to governmental activities, an increase of less than one percent from the prior fiscal year.
- Among major funds, the General Fund had \$80.5 million in current fiscal year revenues, which primarily consisted of property taxes and state aid, and \$86.9 million in expenditures. The General Fund's fund balance decrease from \$8.4 million at the prior fiscal year end to \$7.0 million at the end of the current fiscal year was primarily due to additional classroom instructional expenditures.
- Net position for the Internal Service Funds increased \$58,365 from the prior fiscal year. Operating revenues of \$482,646 exceeded operating expenses of \$426,093 at the end of the current fiscal year.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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 accrual basis of accounting is used for the government-wide financial statements.

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2013**

OVERVIEW OF FINANCIAL STATEMENTS (Cont'd)

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

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

The government-wide financial statements outline functions of the District that are principally supported by property taxes and intergovernmental revenues. The governmental activities of the District include instruction, support services, operation and maintenance of plant services, student transportation services, operation of non-instructional services, and interest on long-term debt.

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 three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental 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 use the modified accrual basis of accounting and focus on near-term inflows 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 the 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 District'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.

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2013**

OVERVIEW OF FINANCIAL STATEMENTS (Concl'd)

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, Debt Service, Unrestricted Capital Outlay, and Bond Building Funds, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and schedules.

Proprietary funds. The District maintains one type of proprietary fund. The internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses its internal service funds to account for the operation of District functions that provide goods or services to other District departments on a cost reimbursement basis. Because these activities predominantly benefit governmental functions, they have been included within governmental activities in the government-wide financial statements.

The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. Due to their custodial nature, fiduciary funds do not have a measurement focus.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic 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 budget process. The District adopts an annual expenditure budget for all governmental funds. A schedule of revenues, expenditures and changes in fund balances – budget and actual has been provided for the General Fund as required supplementary information.

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2013**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$167.2 million at the current fiscal year end.

The largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment and construction in progress), less any related outstanding debt used to acquire those assets. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related outstanding debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. In addition, a portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance is unrestricted and may be used to meet the District's ongoing obligations to its citizens and creditors.

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2013 and June 30, 2012.

	As of June 30, 2013	As of June 30, 2012
Current assets	\$ 79,655,491	\$ 108,580,077
Capital assets, net	188,694,371	174,698,382
Total assets	<u>268,349,862</u>	<u>283,278,459</u>
Current and other liabilities	12,792,801	16,118,037
Long-term liabilities	88,311,146	101,354,890
Total liabilities	<u>101,103,947</u>	<u>117,472,927</u>
Net position:		
Net investment in capital assets	124,594,995	115,861,960
Restricted	27,134,290	28,543,462
Unrestricted	15,516,630	21,400,110
Total net position	<u>\$ 167,245,915</u>	<u>\$ 165,805,532</u>

At the end of the current fiscal year the District reported positive balances in all three categories of net position. The same situation held true for the prior fiscal year.

The District's financial position is the product of several financial transactions including the net result of activities, the payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2013**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

The following are significant current year transactions that had an impact on the Statement of Net Position.

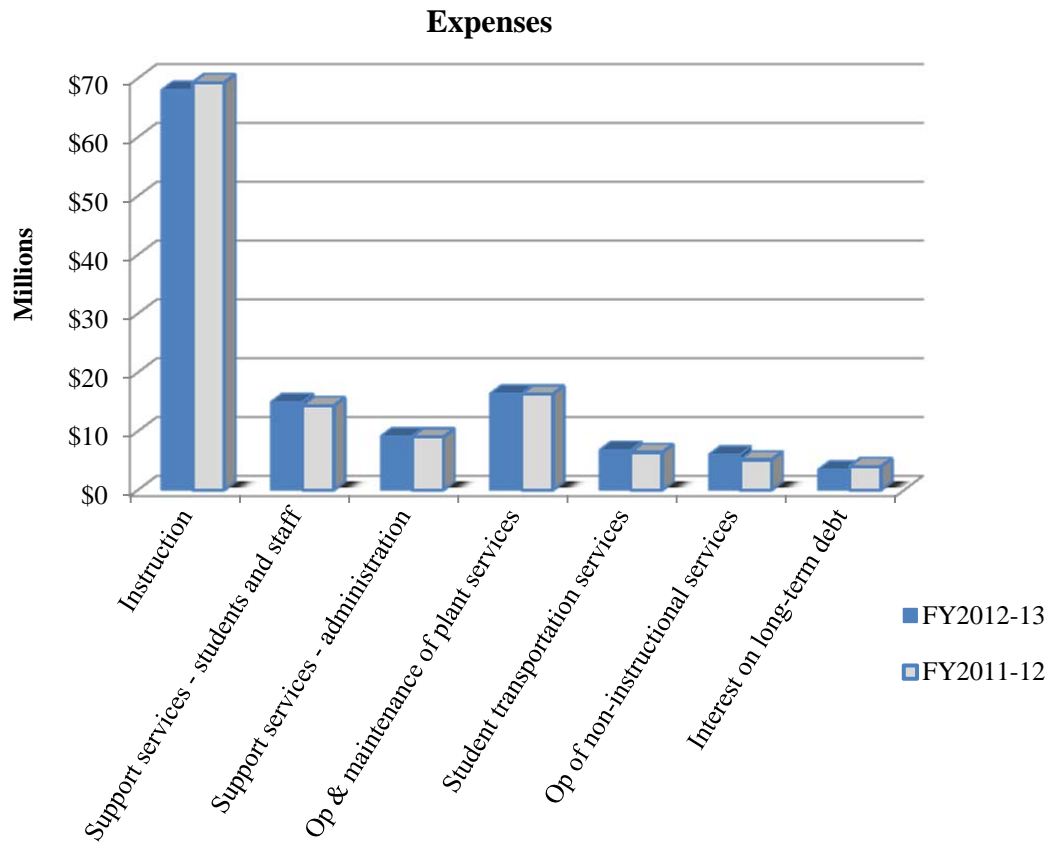
- The principal retirement of \$12.6 million of bonds.
- The addition of \$22.2 million in capital assets through land and school improvements and purchases of vehicles, furniture, and equipment.
- The disposal of \$6.9 million in capital assets of land and school improvements and vehicles, furniture, and equipment.

Changes in net position. The District's total revenues for the current fiscal year were \$126.2 million. The total cost of all programs and services was \$124.7 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2013 and June 30, 2012.

	Fiscal Year Ended June 30, 2013	Fiscal Year Ended June 30, 2012
Revenues:		
Program revenues:		
Charges for services	\$ 6,242,539	\$ 6,206,687
Operating grants and contributions	16,020,917	19,279,786
Capital grants and contributions	368,789	705,719
General revenues:		
Property taxes	70,842,666	71,077,750
Investment income	454,204	270,804
Unrestricted county aid	2,028,933	2,444,344
Unrestricted state aid	29,855,266	31,525,125
Unrestricted federal aid	366,021	
Total revenues	<u>126,179,335</u>	<u>131,510,215</u>
Expenses:		
Instruction	68,006,497	69,242,872
Support services – students and staff	14,956,867	14,290,695
Support services – administration	9,114,296	8,980,326
Operation and maintenance of plant services	16,382,934	16,263,276
Student transportation services	6,792,736	6,362,464
Operation of non-instructional services	6,016,793	5,128,055
Interest on long-term debt	3,468,829	3,957,928
Total expenses	<u>124,738,952</u>	<u>124,225,616</u>
Changes in net position	<u>1,440,383</u>	<u>7,284,599</u>
Net position, beginning	<u>165,805,532</u>	<u>158,520,933</u>
Net position, ending	<u><u>\$ 167,245,915</u></u>	<u><u>\$ 165,805,532</u></u>

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2013**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)



The following are significant current year transactions that have had an impact on the change in net position.

- Operating grants and contributions decreased \$3.3 million due primarily to the expiration of funding from the Teacher Incentive Fund grant.
- Unrestricted state aid decreased \$1.7 million due to reductions in state equalization.

The following table presents the cost of the District's major functional activities. The table also shows each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and District's taxpayers by each of these functions.

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2013**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Concl'd)

	Year Ended June 30, 2013		Year Ended June 30, 2012	
	Total	Net	Total	Net
	Expenses	(Expense)/ Revenue	Expenses	(Expense)/ Revenue
Instruction	\$ 68,006,497	\$ (55,614,746)	\$ 69,242,872	\$ (53,657,231)
Support services – students and staff	14,956,867	(12,250,250)	14,290,695	(11,018,797)
Support services – administration	9,114,296	(8,355,563)	8,980,326	(8,235,590)
Operation and maintenance of plant services	16,382,934	(15,779,093)	16,263,276	(15,072,051)
Student transportation services	6,792,736	(6,716,329)	6,362,464	(6,231,431)
Operation of non-instructional services	6,016,793	78,103	5,128,055	139,604
Interest on long-term debt	3,468,829	(3,468,829)	3,957,928	(3,957,928)
Total	<u>\$124,738,952</u>	<u>\$(102,106,707)</u>	<u>\$ 124,225,616</u>	<u>\$ (98,033,424)</u>

- The cost of all governmental activities this year was \$124.7 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$22.6 million.
- Net cost of governmental activities of \$102.1 million was financed by general revenues, which are made up of primarily property taxes of \$70.8 million and state and county aid of \$31.9 million.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$58.6 million, a decrease of \$20.9 million due primarily to the utilization of bond proceeds in the Bond Building Fund for various building and improvement projects.

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2013**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS (Concl'd)

The General Fund comprises 12 percent of the total fund balance. Approximately \$6.9 million, or 98 percent of the General Fund's fund balance constitutes unassigned fund balance.

The General Fund is the principal operating fund of the District. The decrease in fund balance of \$1.4 million to \$7.0 million as of fiscal year end was a result of additional classroom instructional expenditures. General Fund revenues increased \$19.2 million as a result of increased property taxes and state aid. General Fund expenditures increased \$2.0 million as a result of additional classroom curricular materials purchased to support new curriculum.

The Debt Service Fund's fund balance increased \$3.2 million to \$4.9 million as of fiscal year end as a result of decreased principal and interest payments. Debt Service Fund revenues decreased \$458,551 and expenditures decreased \$5.0 million as a result of decreased principal and interest payments.

The Unrestricted Capital Outlay Fund's fund balance decreased \$4.6 million to \$10.3 million as of fiscal year end due to decreased property taxes and state aid. Unrestricted Capital Outlay Fund revenues decreased \$23.2 million as a result of decreased property taxes and state aid. Unrestricted Capital Outlay Fund expenditures increased \$468,133 as the result of additional purchases of furniture, equipment, and technology.

The Bond Building Fund's fund balance decreased \$17.9 million to \$18.9 million as of fiscal year end due to the utilization of bond proceeds for various building and improvement projects. Bond Building Fund revenues increased \$7,643 and expenditures decreased \$1.3 million as a result of fewer vehicle purchases.

Proprietary funds. Total net position of the Internal Service Funds at the end of the fiscal year amounted to \$547,336. The increase of \$58,365 from the prior fiscal year was primarily due to charges collected for technology-related goods and services.

BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the General Fund annual expenditure budget for the purchase of additional classroom curricular materials needed to support new curriculum. The difference between the original budget and the final amended budget was a \$3.4 million increase.

The revenue budget for the General Fund was not revised. A schedule showing the original and final budget amounts compared to the District's actual financial activity for General Fund is provided in this report as required supplementary information. The unfavorable variance of \$873,921 in operation and maintenance of plant services was a result of significant unanticipated building maintenance expenditures.

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2013**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. As of year end, the District had invested \$275.6 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$15.3 million from the prior fiscal year, primarily due to school improvements and purchases of vehicles, furniture, and equipment. Total depreciation expense for the current fiscal year was \$7.7 million.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2013 and June 30, 2012.

	As of June 30, 2013	As of June 30, 2012
Capital assets – non-depreciable	\$ 24,680,611	\$ 15,605,650
Capital assets – depreciable, net	164,013,760	159,092,732
Total	<u>\$ 188,694,371</u>	<u>\$ 174,698,382</u>

The estimated cost to complete current construction projects is \$10.2 million.

Additional information on the District's capital assets can be found in Note 6.

Debt Administration. At year end, the District had \$83.0 million in long-term debt outstanding, \$7.9 million due within one year. This represents a net decrease of \$12.6 million.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 30 percent of the total secondary assessed valuation) and the statutory debt limit on Class B bonds (the greater of 10 percent of the secondary assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$444.8 million and the Class B debt limit is \$148.3 million, which are more than the District's total outstanding general obligation and Class B debt, respectively.

Additional information on the District's long-term debt can be found in Notes 7 and 8.

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2013**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2013-14 budget. Among them:

- Fiscal year 2012-13 budget balance carry forward (\$962,419).
- District student population (13,769).
- Employee salaries.

Also considered in the development of the budget is the local economy and inflation of the surrounding area.

Budgeted expenditures in the General Fund decreased less than one percent to \$85.3 million in fiscal year 2013-14. State aid and property taxes are expected to be the primary funding sources.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Finance Department, Amphitheater Unified School District No. 10, 701 West Wetmore Road, Tucson, Arizona 85705-1547.

BASIC FINANCIAL STATEMENTS

(This page intentionally left blank)

GOVERNMENT-WIDE FINANCIAL STATEMENTS

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
STATEMENT OF NET POSITION
JUNE 30, 2013

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 65,632,653
Property taxes receivable	2,482,756
Accounts receivable	81,426
Due from governmental entities	11,255,181
Inventory	103,470
Other assets	100,005
Total current assets	<u>79,655,491</u>
Noncurrent assets:	
Land	11,808,261
Land improvements	26,412,881
Buildings and improvements	200,069,392
Vehicles, furniture and equipment	24,417,208
Construction in progress	12,872,350
Accumulated depreciation	(86,885,721)
Total noncurrent assets	<u>188,694,371</u>
Total assets	<u>268,349,862</u>
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	4,192,740
Construction contracts payable	2,892,784
Accrued payroll and employee benefits	2,311,711
Compensated absences payable	750,000
Accrued interest payable	1,789,969
Unearned revenues	5,275
Bonds payable	7,900,000
Total current liabilities	<u>19,842,479</u>
Noncurrent liabilities:	
Deferred bond items	1,600,322
Non-current portion of long-term obligations	79,661,146
Total noncurrent liabilities	<u>81,261,468</u>
Total liabilities	<u>101,103,947</u>
<u>NET POSITION</u>	
Net investment in capital assets	124,594,995
Restricted for:	
Federal and state projects	5,686,893
Food service	568,528
Local initiatives	3,969,420
Debt service	5,267,657
Capital outlay	11,641,792
Unrestricted	15,516,630
Total net position	<u>\$ 167,245,915</u>

The notes to the basic financial statements are an integral part of this statement.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2013

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 68,006,497	\$ 3,933,284	\$ 8,089,678	\$ 368,789	\$ (55,614,746)
Support services - students and staff	14,956,867	259,887	2,446,730		(12,250,250)
Support services - administration	9,114,296	36,473	722,260		(8,355,563)
Operation and maintenance of plant services	16,382,934	581,960	21,881		(15,779,093)
Student transportation services	6,792,736	7,049	69,358		(6,716,329)
Operation of non-instructional services	6,016,793	1,423,886	4,671,010		78,103
Interest on long-term debt	3,468,829				(3,468,829)
Total governmental activities	<u>\$ 124,738,952</u>	<u>\$ 6,242,539</u>	<u>\$ 16,020,917</u>	<u>\$ 368,789</u>	<u>(102,106,707)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	51,667,393
Property taxes, levied for debt service	14,494,845
Property taxes, levied for capital outlay	4,680,428
Investment income	454,204
Unrestricted county aid	2,028,933
Unrestricted state aid	29,855,266
Unrestricted federal aid	366,021

Total general revenues 103,547,090

Changes in net position 1,440,383

Net position, beginning of year 165,805,532

Net position, end of year \$ 167,245,915

The notes to the basic financial statements are an integral part of this statement.

(This page intentionally left blank)

FUND FINANCIAL STATEMENTS

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2013

	<u>General</u>	<u>Debt Service</u>	<u>Unrestricted Capital Outlay</u>
<u>ASSETS</u>			
Cash and investments	\$ 2,461,984	\$ 14,423,695	\$ 10,520,739
Property taxes receivable	1,821,274	496,648	107,546
Accounts receivable			
Due from governmental entities	8,203,061	37,283	316,286
Due from other funds	1,036,136		
Inventory	103,470		
Other assets			
Total assets	<u><u>\$ 13,625,925</u></u>	<u><u>\$ 14,957,626</u></u>	<u><u>\$ 10,944,571</u></u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 3,278,405	\$	\$ 602,233
Construction contracts payable			
Due to other funds	83,394		
Accrued payroll and employee benefits	1,952,760		
Deferred revenues	1,265,886	343,367	89,368
Bonds payable		7,900,000	
Bond interest payable		1,789,969	
Total liabilities	<u><u>6,580,445</u></u>	<u><u>10,033,336</u></u>	<u><u>691,601</u></u>
Fund balances:			
Nonspendable	103,470		
Restricted	54,348	4,924,290	10,252,970
Committed			
Unassigned	6,887,662		
Total fund balances	<u><u>7,045,480</u></u>	<u><u>4,924,290</u></u>	<u><u>10,252,970</u></u>
Total liabilities and fund balances	<u><u>\$ 13,625,925</u></u>	<u><u>\$ 14,957,626</u></u>	<u><u>\$ 10,944,571</u></u>

The notes to the basic financial statements are an integral part of this statement.

<u>Bond Building</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 21,828,408	\$ 16,232,933	\$ 65,467,759
	57,288	2,482,756
	81,208	81,208
	2,698,551	11,255,181
		1,036,136
		103,470
	100,005	100,005
<u>\$ 21,828,408</u>	<u>\$ 19,169,985</u>	<u>\$ 80,526,515</u>

\$ 2,892,784	\$ 305,593	\$ 4,186,231
		2,892,784
	1,036,136	1,119,530
	357,460	2,310,220
	56,392	1,755,013
		7,900,000
		1,789,969
<u>2,892,784</u>	<u>1,755,581</u>	<u>21,953,747</u>

18,935,624	11,513,586	103,470
	5,900,818	45,680,818
		5,900,818
		6,887,662
<u>18,935,624</u>	<u>17,414,404</u>	<u>58,572,768</u>
<u>\$ 21,828,408</u>	<u>\$ 19,169,985</u>	<u>\$ 80,526,515</u>

(This page intentionally left blank)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2013

Total governmental fund balances	\$	58,572,768
---	-----------	-------------------

Amounts reported for *governmental activities* in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Governmental capital assets	\$ 275,045,211		
Less accumulated depreciation	<u>(86,657,670)</u>		188,387,541

Property taxes will not be available to pay for current period expenditures and, therefore, are deferred in the funds.			1,749,738
--	--	--	-----------

Deferred items related to the issuance of bonds are amortized over the life of the associated bond issue in the government-wide statements but not reported in the funds.			(1,600,322)
---	--	--	-------------

The Internal Service Funds are used by management to charge the cost of print shop and technology-related goods and services to the individual funds. The assets and liabilities of the Internal Service Funds are included in the Statement of Net Position.			547,336
---	--	--	---------

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

Compensated absences payable	(5,276,146)		
Bonds payable	<u>(75,135,000)</u>		<u>(80,411,146)</u>

Net position of governmental activities	\$	<u>167,245,915</u>
--	-----------	---------------------------

The notes to the basic financial statements are an integral part of this statement.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2013

	<u>General</u>	<u>Debt Service</u>	<u>Unrestricted Capital Outlay</u>
Revenues:			
Other local	\$ 5,233,661	\$ 163,546	\$ 259,773
Property taxes	51,303,338	14,493,888	3,267,801
State aid and grants	23,621,998		644,983
Federal aid, grants and reimbursements	366,021		
Total revenues	<u>80,525,018</u>	<u>14,657,434</u>	<u>4,172,557</u>
Expenditures:			
Current -			
Instruction	45,676,575		
Support services - students and staff	11,457,744		
Support services - administration	8,333,868		
Operation and maintenance of plant services	15,402,831		
Student transportation services	5,553,367		
Operation of non-instructional services	387,782		
Capital outlay	96,408		5,817,096
Debt service -			
Principal retirement		7,900,000	
Interest and fiscal charges		3,583,138	
Total expenditures	<u>86,908,575</u>	<u>11,483,138</u>	<u>5,817,096</u>
Excess (deficiency) of revenues over expenditures	<u>(6,383,557)</u>	<u>3,174,296</u>	<u>(1,644,539)</u>
Other financing sources (uses):			
Transfers in	5,040,752	43,314	
Transfers out			(2,935,000)
Total other financing sources (uses):	<u>5,040,752</u>	<u>43,314</u>	<u>(2,935,000)</u>
Changes in fund balances	<u>(1,342,805)</u>	<u>3,217,610</u>	<u>(4,579,539)</u>
Fund balances, beginning of year	8,404,330	1,706,680	14,832,509
Increase (decrease) in reserve for inventory	(16,045)		
Fund balances, end of year	<u><u>\$ 7,045,480</u></u>	<u><u>\$ 4,924,290</u></u>	<u><u>\$ 10,252,970</u></u>

The notes to the basic financial statements are an integral part of this statement.

<u>Bond Building</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 43,314	\$ 4,910,572	\$ 10,610,866
	1,712,655	70,777,682
	5,854,860	30,121,841
	14,521,987	14,888,008
<u>43,314</u>	<u>27,000,074</u>	<u>126,398,397</u>
	13,055,575	58,732,150
	2,832,239	14,289,983
	298,445	8,632,313
	295,019	15,697,850
	26,974	5,580,341
	5,522,286	5,910,068
17,862,954	3,167,506	26,943,964
		7,900,000
		3,583,138
<u>17,862,954</u>	<u>25,198,044</u>	<u>147,269,807</u>
<u>(17,819,640)</u>	<u>1,802,030</u>	<u>(20,871,410)</u>
		5,084,066
<u>(43,314)</u>	<u>(2,105,752)</u>	<u>(5,084,066)</u>
<u>(43,314)</u>	<u>(2,105,752)</u>	
<u>(17,862,954)</u>	<u>(303,722)</u>	<u>(20,871,410)</u>
36,798,578	17,718,126	79,460,223
		(16,045)
<u>\$ 18,935,624</u>	<u>\$ 17,414,404</u>	<u>\$ 58,572,768</u>

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2013

Net changes in fund balances - total governmental funds **\$ (20,887,455)**

Amounts reported for *governmental activities* in the Statement of Activities are different because:

Governmental funds report the portion of capital outlay for capitalized assets as expenditures. However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense.

Expenditures for capitalized assets	\$ 22,187,250	
Less current year depreciation	<u>(7,676,736)</u>	14,510,514

Some revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	64,984	
Intergovernmental	<u>(285,858)</u>	(220,874)

Repayments of bond principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	7,900,000
--	-----------

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Deferred recognition on bond issuance items	114,309	
Loss on disposal of capital assets	(478,220)	
Compensated absences	<u>443,744</u>	79,833

The Internal Service Funds are used by management to charge the cost of print shop and technology-related goods and services to the individual funds. The changes in net position of the Internal Service Funds are reported with governmental activities in the Statement of Activities.	<u>58,365</u>
---	---------------

Change in net position in governmental activities **\$ 1,440,383**

The notes to the basic financial statements are an integral part of this statement.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2013

	Governmental Activities: Internal Service Funds
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 164,894
Accounts receivable	218
Due from other funds	83,394
Total current assets	<u>248,506</u>
Noncurrent assets:	
Vehicles, furniture and equipment	534,881
Accumulated depreciation	<u>(228,051)</u>
Total noncurrent assets	<u>306,830</u>
Total assets	<u><u>555,336</u></u>
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	6,509
Accrued payroll and employee benefits	<u>1,491</u>
Total current liabilities	<u>8,000</u>
Total liabilities	<u><u>8,000</u></u>
<u>NET POSITION</u>	
Net investment in capital assets	306,830
Unrestricted	<u>240,506</u>
Total net position	<u><u>\$ 547,336</u></u>

The notes to the basic financial statements are an integral part of this statement.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION -
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Governmental Activities: Internal Service Funds
Operating revenues:	
Charges for services	\$ 482,646
Total operating revenues	<u>482,646</u>
Operating expenses:	
Depreciation	36,305
Cost of services	389,788
Total operating expenses	<u>426,093</u>
Operating income (loss)	<u>56,553</u>
Nonoperating revenues (expenses):	
Investment income	1,812
Total nonoperating revenues (expenses)	<u>1,812</u>
Changes in net position	<u>58,365</u>
Total net position, beginning of year	488,971
Total net position, end of year	<u>\$ 547,336</u>

The notes to the basic financial statements are an integral part of this statement.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Governmental Activities: Internal Service Funds
<u>Increase in Cash and Cash Equivalents</u>	
Cash flows from operating activities:	
Cash received for services	\$ 422,001
Cash payments to employees for services	(152,200)
Cash payments to suppliers for goods and services	(235,318)
	<hr/>
Net cash provided by operating activities	34,483
	<hr/>
Cash flows from investing activities:	
Investment income	1,812
	<hr/>
Net cash provided by investing activities	1,812
	<hr/>
Net increase in cash and cash equivalents	36,295
	<hr/>
Cash and cash equivalents, beginning of year	128,599
	<hr/>
Cash and cash equivalents, end of year	\$ 164,894
	<hr/> <hr/>
 <u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</u>	
Operating income	\$ 56,553
 Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	36,305
Changes in assets and liabilities:	
Decrease in accounts receivable	96
Increase in due from other funds	(60,741)
Increase in accounts payable	779
Increase in accrued payroll and employee benefits	1,491
	<hr/>
Total adjustments	(22,070)
	<hr/>
Net cash provided by operating activities	\$ 34,483
	<hr/> <hr/>

The notes to the basic financial statements are an integral part of this statement.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2013

	<u>Agency</u>
<u>ASSETS</u>	
Cash and investments	\$ 6,071,860
Total assets	<u>\$ 6,071,860</u>
<u>LIABILITIES</u>	
Deposits held for others	\$ 5,430,702
Due to student groups	641,158
Total liabilities	<u>\$ 6,071,860</u>

The notes to the basic financial statements are an integral part of this statement.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Amphitheater Unified School District No. 10 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

During the year ended June 30, 2013, the District implemented the provisions of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASB Statement No. 63 establishes reporting guidance for certain elements of the financial statements which are distinct from assets and liabilities.

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

A. Reporting Entity

The Governing Board is organized under Section 15-321 of the Arizona Revised Statutes (A.R.S.). Management of the District is independent of other State or local governments. The County Treasurer collects taxes for the District, but exercises no control over its expenditures/expenses.

The membership of the Governing Board consists of five members elected by the public. Under existing statutes, the Governing Board's duties and powers include, but are not limited to, the acquisition, maintenance and disposition of school property; the development and adoption of a school program; and the establishment, organization and operation of schools.

The Board also has broad financial responsibilities, including the approval of the annual budget, and the establishment of a system of accounting and budgetary controls.

The financial reporting entity consists of a primary government and its component units. A component unit is a legally separate entity that must be included in the reporting entity in conformity with generally accepted accounting principles. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Furthermore, there are no component units combined with the District for financial statement presentation purposes, and the District is not included in any other governmental reporting entity. Consequently, the District's financial statements include only the funds of those organizational entities for which its elected governing board is financially accountable. The District's major operations include education, student transportation, construction and maintenance of District facilities, food services, bookstore, and athletic functions.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) present financial information about the District as a whole. The reported information includes all of the nonfiduciary activities of the District. For the most part, the effect of internal activity has been removed from these statements. These statements are to distinguish between the governmental and business-type activities of the District. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District does not have any business-type activities.

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

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements – The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. As a general rule, the effect of internal activity has been eliminated from the government-wide financial statements; however, the effects of interfund services provided and used between functions are reported as expenses and program revenues at amounts approximating their external exchange value.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Fund Financial Statements – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service resources are provided during the current year for payment of long-term debt principal and interest due early in the following year (not to exceed one month) and, therefore, the expenditures and related liabilities have been recognized. Compensated absences are recorded only when payment is due.

Property taxes, State aid, tuition and investment income associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Food services and miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash. Grants and similar awards are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. Deferred revenues arise when resources are received by the District before it has legal claim to them, as when grant monies are received prior to meeting all eligibility requirements imposed by the provider.

Delinquent property taxes and other receivables that will not be collected within the available period have been reported as deferred revenue on the governmental fund financial statements.

The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. The internal service funds are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

The District reports the following major governmental funds:

General Fund – The General Fund is the District's primary operating fund. It accounts for all resources used to finance District maintenance and operation except those required to be accounted for in other funds. The General Fund includes the District's Maintenance and Operation Fund as well as the Medicaid Reimbursement, School Plant, Auxiliary Operations, Insurance Proceeds, Litigation Recovery, Indirect Costs, and Condemnation Funds. These funds are maintained as separate funds for accounting and budgetary purposes but do not meet the criteria for separate reporting in the financial statements.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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

Unrestricted Capital Outlay Fund – The Unrestricted Capital Outlay Fund accounts for transactions relating to the acquisition of capital items.

Bond Building Fund – The Bond Building Fund accounts for proceeds from District bond issues that are expended on the acquisition or lease of sites, construction or renovation of school buildings, improving school grounds, or purchasing pupil transportation vehicles.

Additionally, the District reports the following fund types:

Proprietary Fund – The Proprietary Funds are Internal Service Funds that account for activities related to the operation of District functions that provides goods and services to other District departments on a cost reimbursement basis.

Fiduciary Funds – The Fiduciary Funds are Agency Funds which account for resources held by the District on behalf of others. This fund type includes the Student Activities Fund, which accounts for monies raised by students to finance student clubs and organizations held by the District as an agent. In addition, funds that account for employee withholdings before the monies are remitted to the appropriate entities are included in the Agency Funds.

The Proprietary Fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting and are presented in a single column.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's internal service funds are charges to District departments for goods and services. Operating expenses for the internal service funds include the cost of goods and services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The agency funds are custodial in nature and do not have a measurement focus and are reported on the accrual basis of accounting. The agency funds are reported by fund type.

D. Cash and Investments

For purposes of the Statement of Cash Flows, the District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents at year end were cash and investments held by the County Treasurer.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

A.R.S. require the District to deposit certain cash with the County Treasurer. That cash is pooled for investment purposes, except for cash of the Debt Service and Bond Building Funds that may be invested separately. Interest earned from investments purchased with pooled monies is allocated to each of the District's funds based on their average balances. As required by statute, interest earnings of the Bond Building Fund are recorded initially in that fund, but then transferred to the Debt Service Fund. All investments are stated at fair value.

E. Investment Income

Investment income is composed of interest, dividends, and net changes in the fair value of applicable investments. Investment income is included in other local revenue in the governmental fund financial statements and in nonoperating revenues in the proprietary fund financial statements.

F. Receivables and Payable

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Interfund balances between governmental funds are eliminated on the Statement of Net Position.

All receivables, including property taxes receivable, are shown net of an allowance for uncollectibles.

G. Property Tax Calendar

Property tax levies are obtained by applying tax rates against either the primary assessed valuation or the secondary assessed valuation. Primary and secondary valuation categories are composed of the exact same properties. However, the primary category limits the increase in property values to 10% from the previous year, while there is no limit to the increase in property values for secondary valuation. Override and debt service tax rates are applied to the secondary assessed valuation and all other tax rates are applied to the primary assessed valuation.

The County levies real property taxes on or before the third Monday in August, which become due and payable in two equal installments. The first installment is due on the first day of October and becomes delinquent after the first business day of November. The second installment is due on the first day of March of the next year and becomes delinquent after the first business day of May. The billings are considered past due after these dates, at which time the applicable property is subject to penalties and interest.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The County also levies various personal property taxes during the year, which are due the second Monday of the month following receipt of the tax notice, and become delinquent 30 days thereafter.

Pursuant to A.R.S., a lien against assessed real and personal property attaches on the first day of January preceding assessment and levy; however according to case law, an enforceable legal claim to the asset does not arise.

H. Inventory

All inventories are valued at cost using the weighted average method. Inventories consist of expendable supplies held for consumption. Inventories are recorded as expenses when consumed on the government-wide financial statements and as expenditures when purchased on the fund financial statements.

The United States Department of Agriculture (USDA) commodity portion of the food services inventory consists of food donated by the USDA. It is valued at estimated market prices paid by the USDA.

I. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items are recorded as expenses when consumed in the government-wide financial statements and as expenditures when purchased in the fund financial statements.

J. Capital Assets

Capital assets, which include land and improvements, buildings and improvements, vehicles, furniture, 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 in excess of \$5,000 and an estimated useful life of more than one year. Such assets are recorded at historical cost, or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at the estimated fair market value at the date of donation.

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

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Land improvements	7 - 70 years
Buildings and improvements	15 - 70 years
Vehicles, furniture and equipment	5 - 20 years

K. Compensated Absences

The District's employee vacation and sick leave policies generally provide for granting vacation and sick leave with pay in varying amounts. Only benefits considered vested are recognized in the financial statements. The liability for vacation and sick leave is reported in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee leave, resignations and retirements. Generally, resources from the General Fund are used to pay for compensated absences.

L. Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities on the statement of net position. Bond premiums and discounts, as well as issuance costs and the difference between the reacquisition price and the net carrying amount of the old debt, are deferred and amortized over the life of the bonds using the straight-line method over the term of the related debt.

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

M. Interfund Activity

Flows of cash from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers between governmental funds are eliminated in the Statement of Activities. Interfund transfers in the fund financial statements are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concl'd)

N. Net Position Flow Assumption

In the government-wide and proprietary fund financial statements the District applies restricted resources first when outlays are incurred for purposes for which either restricted or unrestricted amounts are available.

O. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 2 – FUND BALANCE CLASSIFICATIONS

Fund balances of the governmental funds are reported separately within classifications based on a hierarchy of the constraints placed on the use of those resources. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. The classifications are nonspendable, restricted, and unrestricted, which includes committed, assigned, and unassigned fund balance classifications.

Nonspendable. The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact.

Restricted. Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation.

Committed. The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action of the Governing Board through a resolution approved at a Board meeting. Those committed amounts cannot be used for any other purpose unless the Governing Board removes or changes the specified use by taking the same action it employed to previously commit those amounts.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 2 – FUND BALANCE CLASSIFICATIONS (Concl'd)

Assigned. Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Governing Board or a management official delegated that authority by the formal Governing Board action. The Governing Board has delegated the Chief Financial Officer that authority through formal Governing Board action.

Unassigned. Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The District applies restricted resources first when outlays are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

The table below provides detail of the major components of the District's fund balance classifications at year end.

	General Fund	Debt Service Fund	Unrestricted Capital Outlay Fund	Bond Building Fund	Non-Major Governmental Funds
Fund Balances:					
Nonspendable:					
Inventory	\$ 103,470	\$	\$	\$	\$
Restricted:					
Debt service		4,924,290			
Capital projects			10,252,970		1,288,745
Bond building projects				18,935,624	
Federal and state projects	54,348				5,686,893
Food service					568,528
Local initiatives					3,969,420
Committed:					
Capital projects					5,900,818
Unassigned	6,887,662				
Total fund balances	<u>\$ 7,045,480</u>	<u>\$ 4,924,290</u>	<u>\$10,252,970</u>	<u>\$ 18,935,624</u>	<u>\$ 17,414,404</u>

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Excess Expenditures Over Budget – At year end, the District had expenditures in funds that exceeded the budget, however, this does not constitute a violation of any legal provisions.

NOTE 4 – CASH AND INVESTMENTS

A.R.S. authorize the District to invest public monies in the State Treasurer's local government investment pools, the County Treasurer's investment pool, obligations of the U.S. Government and its agencies, obligations of the State and certain local government subdivisions, interest-bearing savings accounts and certificates of deposit, collateralized repurchase agreements, certain obligations of U.S. corporations, and certain other securities. The statutes do not include any requirements for credit risk, custodial credit risk, concentration of credit risk, interest rate risk, or foreign currency risk for the District's investments.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure the District's deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District's deposits was \$4,653,747 and the bank balance was \$4,735,649. At year end, \$4,346,406 of the District's deposits were covered by collateral held by the pledging financial institution in the District's name. In addition, at year end, the cash held with the trustee was in the amount of \$9,689,969.

The State Treasurer's pools are external investment pools, the Local Government Investment Pool (Pool 5) and Local Government Investment Pool-Government (Pool 7), with no regulatory oversight. The pools are not required to register (and are not registered) with the Securities and Exchange Commission. The activity and performance of the pools are reviewed monthly by the State Board of Investment. The fair value of each participant's position in the State Treasurer investment pools approximates the value of the participant's shares in the pool and the participants' shares are not identified with specific investments.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 4 – CASH AND INVESTMENTS

The County Treasurer's pool is an external investment pool with no regulatory oversight. The pool is not required to register (and is not registered) with the Securities and Exchange Commission. The fair value of each participant's position in the County Treasurer investment pool approximates the value of the participant's shares in the pool and the participants' shares are not identified with specific investments.

At year end, the District's investments consisted of the following.

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer's investment pool	248 days	\$ 28,007,284
State Treasurer's investment pool 7	15 days	28,061,229
Arizona School Risk Retention Trust Investment Pool	264 days	1,292,284
Total		<u>\$ 57,360,797</u>

Interest Rate Risk. 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.

Credit Risk. The District has no investment policy that would further limit its investment choices. At year end, the District's investment in the County Treasurer's investment pools did not receive a credit quality rating from a national rating agency. The State Treasurer's investment pool 7 had a weighted average rating of AA+ at year end as it was invested in obligations of the U.S. Government or obligations guaranteed by the U.S. Government. The District's investments in the Arizona School Risk Retention Trust Investment Pool were rated between A- and AA+ by Standard and Poor's.

Custodial Credit Risk – Investments. The District's investment in the State and County Treasurer's investment pools represents a proportionate interest in the pool's portfolio; however, the District's portion is not identified with specific investments and is not subject to custodial credit risk. The District's investments in the Arizona School Risk Retention Trust Investment Pool were subject to custodial credit risk as they were uninsured and uncollateralized.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 5 – RECEIVABLES

Receivable balances, net of allowance for uncollectibles, have been disaggregated by type and presented separately in the financial statements with the exception of due from governmental entities. Due from governmental entities, net of allowance for uncollectibles, as of year end for the District's individual major funds and non-major governmental funds in the aggregate, were as follows.

	General Fund	Debt Service Fund	Unrestricted Capital Outlay Fund	Non-Major Governmental Funds
Due from other governmental entities:				
Due from Federal government	\$ 84,203	\$	\$	\$ 1,417,155
Due from State government	7,820,153		298,599	1,281,396
Due from other districts	298,705	37,283	17,687	
Net due from governmental entities	<u>\$8,203,061</u>	<u>\$ 37,283</u>	<u>\$ 316,286</u>	<u>\$ 2,698,551</u>

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue reported in the governmental funds were as follows.

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes receivable (General Fund)	\$ 1,265,886	\$
Delinquent property taxes receivable (Debt Service Fund)	343,367	
Delinquent property taxes receivable (Unrestricted Capital Outlay Fund)	89,368	
Delinquent property taxes receivable (Non-Major Governmental Funds)	51,117	
Grant drawdowns prior to meeting all eligibility requirements (Non-Major Governmental Funds)		<u>5,275</u>
Total deferred revenue for governmental funds	<u>\$ 1,749,738</u>	<u>\$ 5,275</u>

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 6 – CAPITAL ASSETS

A summary of capital asset activity for the current fiscal year follows.

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 11,808,261	\$	\$	\$ 11,808,261
Construction in progress	3,797,389	12,188,999	3,114,038	12,872,350
Total capital assets, not being depreciated	<u>15,605,650</u>	<u>12,188,999</u>	<u>3,114,038</u>	<u>24,680,611</u>
Capital assets, being depreciated:				
Land improvements	26,068,184	421,546	76,849	26,412,881
Buildings and improvements	195,408,352	10,393,944	5,732,904	200,069,392
Vehicles, furniture and equipment	23,235,672	2,296,799	1,115,263	24,417,208
Total capital assets being depreciated	<u>244,712,208</u>	<u>13,112,289</u>	<u>6,925,016</u>	<u>250,899,481</u>
Less accumulated depreciation for:				
Land improvements	(14,650,319)	(744,253)	(76,849)	(15,317,723)
Buildings and improvements	(63,235,908)	(5,508,586)	(5,524,975)	(63,219,519)
Vehicles, furniture and equipment	(7,733,249)	(1,460,202)	(844,972)	(8,348,479)
Total accumulated depreciation	<u>(85,619,476)</u>	<u>(7,713,041)</u>	<u>(6,446,796)</u>	<u>(86,885,721)</u>
Total capital assets, being depreciated, net	<u>159,092,732</u>	<u>5,399,248</u>	<u>478,220</u>	<u>164,013,760</u>
Governmental activities capital assets, net	<u>\$ 174,698,382</u>	<u>\$ 17,588,247</u>	<u>\$ 3,592,258</u>	<u>\$ 188,694,371</u>

Depreciation expense was charged to governmental functions as follows.

Instruction	\$6,112,892
Support services – students and staff	109,600
Support services – administration	121,480
Operation and maintenance of plant services	517,764
Student transportation services	781,717
Operation of non-instructional services	69,588
Total depreciation expense – governmental activities	<u>\$7,713,041</u>

Construction Commitments – At year end, the District had contractual commitments related to capital projects for the construction of various building and improvement projects. At year end, the District had spent \$12.9 million on the projects and had estimated remaining contractual commitments of \$10.2 million. These projects are being funded with bond proceeds.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 7 – GENERAL OBLIGATION BONDS PAYABLE

Bonds payable at year end, consisted of the following outstanding general obligation bonds. Of the total amount originally authorized, \$81.0 million remains unissued. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt.

Purpose	Original Amount Issued	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2013	Due Within One Year
Governmental activities:					
School Improvement Bonds, Project of 2007, Series A	\$ 20,000,000	4.0-5.0%	7/1/13-27	\$ 15,700,000	\$ 600,000
School Improvement Bonds, Project of 2007, Series B	29,000,000	3.0-5.0%	7/1/13-25	27,600,000	1,300,000
School Improvement Bonds, Project of 2007, Series C	50,000,000	3.0-5.0%	7/1/13-27	39,735,000	6,000,000
Total				<u>\$ 83,035,000</u>	<u>\$ 7,900,000</u>

Annual debt service requirements to maturity on general obligation bonds at year end are summarized as follows.

Year ending June 30:		Governmental Activities	
		Principal	Interest
	2014	\$ 7,900,000	\$ 3,458,438
	2015	4,100,000	3,265,188
	2016	4,200,000	3,124,688
	2017	4,325,000	2,972,688
	2018	4,475,000	2,797,688
	2019-23	25,510,000	10,997,531
	2024-28	32,525,000	4,187,875
Total		<u>\$ 83,035,000</u>	<u>\$ 30,804,096</u>

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 8 – CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the current fiscal year was as follows.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable	\$ 95,635,000	\$	\$ 12,600,000	\$83,035,000	\$ 7,900,000
Compensated absences payable	<u>5,719,890</u>	<u>1,733,946</u>	<u>2,177,690</u>	<u>5,276,146</u>	<u>750,000</u>
Governmental activity long-term liabilities	<u>\$101,354,890</u>	<u>\$ 1,733,946</u>	<u>\$ 14,777,690</u>	<u>\$88,311,146</u>	<u>\$ 8,650,000</u>

NOTE 9 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At year end, interfund balances were as follows.

Due to/from other funds:

Due to	Due from		
	General Fund	Non-Major Governmental Funds	Total
General Fund	\$	\$ 1,036,136	\$ 1,036,136
Internal Service Funds	<u>83,394</u>		<u>83,394</u>
Total	<u>\$ 83,394</u>	<u>\$ 1,036,136</u>	<u>\$ 1,119,530</u>

At year end, several funds had negative cash balances in the Treasurer's pooled cash accounts. A portion of negative cash on deposit with the County Treasurer was reduced by interfund borrowing with other funds. All interfund balances are expected to be paid within one year.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 9 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (Concl'd)

Interfund transfers:

Transfers out	Transfers in		
	General Fund	Debt Service Fund	Total
Unrestricted Capital Outlay Fund	\$ 2,935,000	\$	\$ 2,935,000
Bond Building Fund		43,314	43,314
Non-Major Governmental Funds	2,105,752		2,105,752
Total	\$ 5,040,752	\$ 43,314	\$ 5,084,066

Transfers between funds were used to (1) move investment income earned in the Bond Building Fund that is required by statute to be expended in the Debt Service Fund, (2) to move Federal grant funds restricted for indirect costs, and (3) to allocate revenue due to legislative budget cuts.

NOTE 10 – CONTINGENT LIABILITIES

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

Lawsuits – The District is a party to a number of various types of lawsuits, many of which normally occur in governmental operations. The ultimate outcome of the actions is not determinable, however, District management believes that the outcome of these proceedings, either individually or in the aggregate, will not have a materially adverse effect on the accompanying financial statements.

Arbitrage – Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense or expenditure prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). Management believes there is no tax arbitrage rebate liability at year end.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 11 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The District was unable to obtain general property and liability insurance at a cost it considered to be economically justifiable. Therefore, the District joined the Arizona School Risk Retention Trust, Inc. (ASRRT). ASRRT is a public entity risk pool currently operating as a common risk management and insurance program for school districts and community colleges in the State. The District pays an annual premium to ASRRT for its general insurance coverage. The agreement provides that ASRRT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts.

The District's employees have health and accident insurance coverage with the Arizona School Board Association Insurance Trust (ASBAIT). ASBAIT is a public entity risk pool currently operating as a common risk management and insurance program for school districts in the State. The District pays a monthly premium to ASBAIT for employees' health and accident insurance coverage. The agreement provides that ASBAIT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts.

The District joined the Arizona School Alliance for Workers' Compensation, Inc. (Alliance) together with other school districts in the state for risks of loss related to workers' compensation claims. The Alliance is a public entity risk pool currently operating as a common risk management and insurance program for school districts in the State. The District pays quarterly premiums to the Alliance for its employee workers' compensation coverage. The agreement provides that the Alliance will be self-sustaining through members' premiums and will reinsure through commercial companies for claims in excess of specified amounts for each insured event.

The District continues to carry commercial insurance for employee dental and life insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

The District contributes to the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing, multiple-employer defined benefit pension plan; a cost-sharing, multiple-employer defined health insurance premium plan; and a cost-sharing, multiple-employer defined benefit long-term disability plan that covers employees of the State of Arizona and employees of participating political subdivisions and school districts. The ASRS is governed by the Arizona State Retirement System Board according to the provisions of A.R.S. Title 38, Chapter 5, Article 2.

Plan Description – Benefits are established by state statute and the plan generally provides retirement, long-term disability, and health insurance premium benefits, including death and survivor benefits. The retirement benefits are generally paid at a percentage, based on years of service, of the retirees' average compensation. Long-term disability benefits vary by circumstance, but generally pay a percentage of the employee's monthly compensation. Health insurance premium benefits are paid as a fixed dollar amount per month towards the retiree's healthcare insurance premiums, in amounts based on whether the benefit is for the retiree or for the retiree and his or her dependents.

The ASRS issues a comprehensive annual financial report that includes financial statements and required supplementary information. The most recent report may be obtained by writing the ASRS, 3300 North Central Avenue, P.O. Box 33910, Phoenix, Arizona 85067-3910 or by calling (602) 240-2000 or (800) 621-3778. The report is also available on the ASRS' website at www.azasrs.gov.

Funding Policy – The Arizona State Legislature establishes and may amend active plan members' and the District's contribution rates. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.14 percent (10.90 percent for retirement and 0.24 percent for long-term disability) of the members' annual covered payroll and the District was required by statute to contribute at the actuarially determined rate of 11.14 percent (10.25 percent for retirement, 0.65 percent for health insurance premium, and 0.24 percent for long-term disability) of the members' annual covered payroll.

The District's contributions for the current and two preceding years, all of which were equal to the required contributions, were as follows.

	Retirement Fund	Health Benefit Supplement Fund	Long-Term Disability Fund
Year ending June 30:			
2013	\$6,734,548	\$ 427,069	\$ 157,687
2012	6,546,300	428,670	181,640
2011	6,244,580	408,913	173,268

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 13 – SUBSEQUENT EVENT

On October 2, 2013, the District issued School Improvement Bonds, Series 2013 in the amount of \$41.0 million, maturing on July 1, 2027, with an average interest rate of 4.2 percent. The purpose of the bonds is the construction of a new elementary school; the remodeling of Cross, Harelson, Donaldson, and Mesa Verde Schools; the purchase of school buses; and the completion of construction at Wetmore Center.

(This page intentionally left blank)

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
(Required Supplementary Information)**

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL
YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other local	\$ 2,944,478	\$ 2,944,478	\$ 3,438,611	\$ 494,133
Property taxes	54,338,144	54,338,144	51,303,338	(3,034,806)
State aid and grants	18,806,806	18,806,806	23,621,998	4,815,192
Total revenues	<u>76,089,428</u>	<u>76,089,428</u>	<u>78,363,947</u>	<u>2,274,519</u>
Expenditures:				
Current -				
Instruction	42,704,972	45,362,533	44,249,242	1,113,291
Support services - students and staff	11,002,244	11,702,700	11,313,247	389,453
Support services - administration	8,220,819	8,220,819	7,915,656	305,163
Operation and maintenance of plant services	14,495,544	14,495,544	15,369,465	(873,921)
Student transportation services	5,545,000	5,545,000	5,488,012	56,988
Operation of non-instructional services	400,000	400,000	374,209	25,791
Total expenditures	<u>82,368,579</u>	<u>85,726,596</u>	<u>84,709,831</u>	<u>1,016,765</u>
Excess (deficiency) of revenues over expenditures	<u>(6,279,151)</u>	<u>(9,637,168)</u>	<u>(6,345,884)</u>	<u>3,291,284</u>
Other financing sources (uses):				
Transfers in			4,560,000	4,560,000
Total other financing sources (uses):			<u>4,560,000</u>	<u>4,560,000</u>
Changes in fund balances	<u>(6,279,151)</u>	<u>(9,637,168)</u>	<u>(1,785,884)</u>	<u>7,851,284</u>
Fund balances, beginning of year			4,368,921	4,368,921
Increase (decrease) in reserve for inventory			(16,045)	(16,045)
Fund balances (deficits), end of year	<u>\$ (6,279,151)</u>	<u>\$ (9,637,168)</u>	<u>\$ 2,566,992</u>	<u>\$ 12,204,160</u>

See accompanying notes to this schedule.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2013

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

The adopted budget of the District is prepared on a basis consistent with accounting principles generally accepted in the United States of America with the following exception: a portion of the General Fund activity is budgeted for separately as special revenue and capital projects funds. Consequently, the following adjustments were necessary to present actual expenditures, fund balance at July 1, 2012, and fund balance at June 30, 2013 on a budgetary basis in order to provide a meaningful comparison.

	<u>Total Expenditures</u>	<u>Fund Balance, June 30, 2013</u>	<u>Fund Balance, July 1, 2012</u>
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	\$ 86,908,575	\$ 7,045,480	\$ 8,404,330
Fiscal year 2012-13 activity budgeted as special revenue and capital projects funds	<u>(2,198,744)</u>	<u>(4,478,488)</u>	<u>(4,035,409)</u>
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	<u>\$ 84,709,831</u>	<u>\$ 2,566,992</u>	<u>\$ 4,368,921</u>

(This page intentionally left blank)

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS
AND SCHEDULES**

(This page intentionally left blank)

GOVERNMENTAL FUNDS

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2013

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Fund</u>
<u>ASSETS</u>			
Cash and investments	\$ 9,603,646	\$ 6,629,287	\$ 16,232,933
Property taxes receivable		57,288	57,288
Accounts receivable	81,208		81,208
Due from governmental entities	2,027,113	671,438	2,698,551
Other assets	100,005		100,005
Total assets	<u><u>\$ 11,811,972</u></u>	<u><u>\$ 7,358,013</u></u>	<u><u>\$ 19,169,985</u></u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 188,260	\$ 117,333	\$ 305,593
Due to other funds	1,036,136		1,036,136
Accrued payroll and employee benefits	357,460		357,460
Deferred revenues	5,275	51,117	56,392
Total liabilities	<u>1,587,131</u>	<u>168,450</u>	<u>1,755,581</u>
Fund balances:			
Restricted	10,224,841	1,288,745	11,513,586
Committed		5,900,818	5,900,818
Total fund balances	<u>10,224,841</u>	<u>7,189,563</u>	<u>17,414,404</u>
Total liabilities and fund balances	<u><u>\$ 11,811,972</u></u>	<u><u>\$ 7,358,013</u></u>	<u><u>\$ 19,169,985</u></u>

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
YEAR ENDED JUNE 30, 2013

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:			
Other local	\$ 4,799,029	\$ 111,543	\$ 4,910,572
Property taxes		1,712,655	1,712,655
State aid and grants	5,262,493	592,367	5,854,860
Federal aid, grants and reimbursements	14,521,987		14,521,987
Total revenues	<u>24,583,509</u>	<u>2,416,565</u>	<u>27,000,074</u>
Expenditures:			
Current -			
Instruction	13,055,575		13,055,575
Support services - students and staff	2,832,239		2,832,239
Support services - administration	298,445		298,445
Operation and maintenance of plant services	295,019		295,019
Student transportation services	26,974		26,974
Operation of non-instructional services	5,522,286		5,522,286
Capital outlay	1,303,435	1,864,071	3,167,506
Total expenditures	<u>23,333,973</u>	<u>1,864,071</u>	<u>25,198,044</u>
Excess (deficiency) of revenues over expenditures	<u>1,249,536</u>	<u>552,494</u>	<u>1,802,030</u>
Other financing sources (uses):			
Transfers out	(480,752)	(1,625,000)	(2,105,752)
Total other financing sources (uses):	<u>(480,752)</u>	<u>(1,625,000)</u>	<u>(2,105,752)</u>
Changes in fund balances	<u>768,784</u>	<u>(1,072,506)</u>	<u>(303,722)</u>
Fund balances, beginning of year	9,456,057	8,262,069	17,718,126
Fund balances, end of year	<u>\$ 10,224,841</u>	<u>\$ 7,189,563</u>	<u>\$ 17,414,404</u>

SPECIAL REVENUE FUNDS

Classroom Site - to account for the financial activity for the portion of state sales tax collections and permanent state school fund earnings as approved by the voters in 2000.

Instructional Improvement - to account for the activity of monies received from gaming revenue.

Compensatory Instruction - to account for monies received for programs in addition to normal classroom instruction to improve the English proficiency of current English language learners.

Title I Grants - to account for financial assistance received for the purpose of improving the teaching and learning of children failing, or most at-risk of failing, to meet challenging State academic standards.

Professional Development and Technology Grants - to account for financial assistance received to increase student academic achievement through improving teacher quality.

Limited English & Immigrant Students - to account for financial assistance received for educational services and costs for limited English and immigrant children.

Indian Education - to account for financial assistance received for Indian education at preschool, elementary, secondary and adult levels.

Special Education Grants - to account for supplemental financial assistance received to provide a free, appropriate public education to disabled children.

Johnson O'Malley - to account for financial assistance received to meet the unique educational needs of eligible Indian children.

Vocational Education - to account for financial assistance received for preparation of individuals for employment or advancement in a career not requiring a baccalaureate or advanced degree.

Medicaid Reimbursement - to account for reimbursements related to specific health services provided to eligible students.

E-Rate - to account for monies received to reimburse the District for broadband internet and telecommunications costs.

Other Federal Projects – to account for financial assistance received for other supplemental federal projects.

State Vocational Education - to account for financial assistance received for the preparation of individuals for employment.

Failing Schools Tutoring Grant - to account for monies used to assist high school students to pass the AIMS test or to assist students who are underperforming.

Other State Projects - to account for financial assistance received for other State projects.

School Plant - to account for proceeds from the sale or lease of school property.

Food Service - to account for the financial activity of school activities that have as their purpose the preparation and serving of regular and incidental meals and snacks in connection with school functions.

Civic Center - to account for monies received from the rental of school facilities for civic activities.

Community School - to account for activity related to academic and skill development for all citizens.

Auxiliary Operations - to account for activity arising from bookstore, athletic, and miscellaneous District related operations.

Extracurricular Activities Fees Tax Credit - to account for activity related to monies collected in support of extracurricular activities to be taken as a tax credit by the tax payer in accordance with A.R.S. §43-1089.01.

Gifts and Donations - to account for activity related to gifts, donations, bequests and private grants made to the District.

Fingerprint - to account for activity of fingerprinting employees as mandated by the State.

Insurance Proceeds - to account for the monies received from insurance claims.

Textbooks - to account for monies received from students to replace or repair lost or damaged textbooks.

Litigation Recovery - to account for monies received for and derived from litigation.

Indirect Costs - to account for monies transferred from Federal projects for administrative costs.

SPECIAL REVENUE FUNDS
(Concluded)

Insurance Refund - to account for insurance premium payments that are refunded to the District.

Grants and Gifts to Teachers - to account for grants and gifts under \$1,500 received from private sources that are designated for use by a teacher for instructional purposes.

Joint Technical Education - to account for monies received from Joint Technical Education Districts for vocational education programs.

Intergovernmental Agreements - to account for the financial activities relating to agreements with other governments not required to be accounted for elsewhere.

(This page intentionally left blank)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2013

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>Title I Grants</u>
<u>ASSETS</u>			
Cash and investments	\$ 3,111,854	\$ 1,715,934	\$
Accounts receivable			
Due from governmental entities	322,051	249,946	693,515
Other assets			
Total assets	<u><u>\$ 3,433,905</u></u>	<u><u>\$ 1,965,880</u></u>	<u><u>\$ 693,515</u></u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$ 20,233
Due to other funds			555,092
Accrued payroll and employee benefits		15,084	118,190
Deferred revenues			
Total liabilities	<u>15,084</u>	<u>15,084</u>	<u>693,515</u>
Fund balances:			
Restricted	<u>3,433,905</u>	<u>1,950,796</u>	
Total fund balances	<u><u>3,433,905</u></u>	<u><u>1,950,796</u></u>	
Total liabilities and fund balances	<u><u>\$ 3,433,905</u></u>	<u><u>\$ 1,965,880</u></u>	<u><u>\$ 693,515</u></u>

Professional Development and Technology Grants	Limited English and Immigrant Students	Special Education Grants	Vocational Education	E-Rate	Other Federal Projects
\$	\$	\$	\$	\$ 302,192	\$
154,711	61,061	336,208	11,498		123,662
<u>\$ 154,711</u>	<u>\$ 61,061</u>	<u>\$ 336,208</u>	<u>\$ 11,498</u>	<u>\$ 302,192</u>	<u>\$ 123,662</u>
\$ 73,341	\$	\$	\$	\$	\$ 8,000
81,370	48,640	205,912	11,498		104,541
	12,421	130,296			11,121
<u>154,711</u>	<u>61,061</u>	<u>336,208</u>	<u>11,498</u>		<u>123,662</u>
				302,192	
				<u>302,192</u>	
<u>\$ 154,711</u>	<u>\$ 61,061</u>	<u>\$ 336,208</u>	<u>\$ 11,498</u>	<u>\$ 302,192</u>	<u>\$ 123,662</u>

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2013

	<u>State Vocational Education</u>	<u>Failing Schools Tutoring Grant</u>	<u>Other State Projects</u>
<u>ASSETS</u>			
Cash and investments	\$ 5,275	\$ 7,372	\$
Accounts receivable			
Due from governmental entities			37,961
Other assets			
Total assets	<u><u>\$ 5,275</u></u>	<u><u>\$ 7,372</u></u>	<u><u>\$ 37,961</u></u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$ 7,372	\$ 8,878
Due to other funds			29,083
Accrued payroll and employee benefits			
Deferred revenues	5,275		
Total liabilities	<u><u>5,275</u></u>	<u><u>7,372</u></u>	<u><u>37,961</u></u>
Fund balances:			
Restricted			
Total fund balances			
Total liabilities and fund balances	<u><u>\$ 5,275</u></u>	<u><u>\$ 7,372</u></u>	<u><u>\$ 37,961</u></u>

<u>Food Service</u>	<u>Civic Center</u>	<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>	<u>Gifts and Donations</u>	<u>Fingerprint</u>
\$ 531,569	\$ 728,861	\$ 332,183	\$ 751,893	\$ 2,022,343 81,208	\$ 2,754
36,500 100,005					
<u>\$ 668,074</u>	<u>\$ 728,861</u>	<u>\$ 332,183</u>	<u>\$ 751,893</u>	<u>\$ 2,103,551</u>	<u>\$ 2,754</u>
\$ 49,378	\$ 6,306	\$	\$	\$ 14,752	\$
50,168		10,424			
<u>99,546</u>	<u>6,306</u>	<u>10,424</u>	<u></u>	<u>14,752</u>	<u></u>
568,528	722,555	321,759	751,893	2,088,799	2,754
<u>568,528</u>	<u>722,555</u>	<u>321,759</u>	<u>751,893</u>	<u>2,088,799</u>	<u>2,754</u>
<u>\$ 668,074</u>	<u>\$ 728,861</u>	<u>\$ 332,183</u>	<u>\$ 751,893</u>	<u>\$ 2,103,551</u>	<u>\$ 2,754</u>

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2013

	<u>Textbooks</u>	<u>Insurance Refund</u>	<u>Joint Technical Education</u>
<u>ASSETS</u>			
Cash and investments	\$ 52,007	\$ 22,604	\$ 9,756
Accounts receivable			
Due from governmental entities			
Other assets			
Total assets	<u><u>\$ 52,007</u></u>	<u><u>\$ 22,604</u></u>	<u><u>\$ 9,756</u></u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			
Accrued payroll and employee benefits			9,756
Deferred revenues			
Total liabilities	<u></u>	<u></u>	<u>9,756</u>
Fund balances:			
Restricted	<u>52,007</u>	<u>22,604</u>	
Total fund balances	<u><u>52,007</u></u>	<u><u>22,604</u></u>	
Total liabilities and fund balances	<u><u>\$ 52,007</u></u>	<u><u>\$ 22,604</u></u>	<u><u>\$ 9,756</u></u>

Intergovernmental Agreements	Totals
\$ 7,049	\$ 9,603,646
	81,208
	2,027,113
	100,005
<u>\$ 7,049</u>	<u>\$ 11,811,972</u>
\$	\$ 188,260
	1,036,136
	357,460
	5,275
	<u>1,587,131</u>
<u>7,049</u>	<u>10,224,841</u>
<u>7,049</u>	<u>10,224,841</u>
<u>\$ 7,049</u>	<u>\$ 11,811,972</u>

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2013

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>Compensatory Instruction</u>
Revenues:			
Other local	\$ 25,016	\$ 26,910	\$
State aid and grants	4,417,924	577,994	290
Federal aid, grants and reimbursements			
Total revenues	<u>4,442,940</u>	<u>604,904</u>	<u>290</u>
Expenditures:			
Current -			
Instruction	3,575,023	820,408	290
Support services - students and staff	103,800	85,630	
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		15,556	
Total expenditures	<u>3,678,823</u>	<u>921,594</u>	<u>290</u>
Excess (deficiency) of revenues over expenditures	<u>764,117</u>	<u>(316,690)</u>	
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>764,117</u>	<u>(316,690)</u>	
Fund balances, beginning of year	2,669,788	2,267,486	
Fund balances, end of year	<u>\$ 3,433,905</u>	<u>\$ 1,950,796</u>	<u>\$</u>

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Limited English and Immigrant Students</u>	<u>Indian Education</u>	<u>Special Education Grants</u>	<u>Johnson O'Malley</u>
\$	\$	\$	\$	\$	\$
<u>4,405,167</u>	<u>616,775</u>	<u>352,695</u>	<u>50,406</u>	<u>3,444,980</u>	<u>6,897</u>
<u>4,405,167</u>	<u>616,775</u>	<u>352,695</u>	<u>50,406</u>	<u>3,444,980</u>	<u>6,897</u>
2,756,671		156,601	47,952	3,250,701	605
1,066,021	596,584	154,638	443	10,647	4,749
206,014				1,871	
		26,476			
<u>167,179</u>		<u>5,559</u>			<u>1,245</u>
<u>4,195,885</u>	<u>596,584</u>	<u>343,274</u>	<u>48,395</u>	<u>3,263,219</u>	<u>6,599</u>
<u>209,282</u>	<u>20,191</u>	<u>9,421</u>	<u>2,011</u>	<u>181,761</u>	<u>298</u>
<u>(209,282)</u>	<u>(20,191)</u>	<u>(9,421)</u>	<u>(2,011)</u>	<u>(181,761)</u>	<u>(298)</u>
<u>(209,282)</u>	<u>(20,191)</u>	<u>(9,421)</u>	<u>(2,011)</u>	<u>(181,761)</u>	<u>(298)</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2013

	Vocational Education	E-Rate	Other Federal Projects
Revenues:			
Other local	\$	\$ 3,404	\$
State aid and grants			
Federal aid, grants and reimbursements	313,301	285,858	958,101
Total revenues	<u>313,301</u>	<u>289,262</u>	<u>958,101</u>
Expenditures:			
Current -			
Instruction	64,238		639,685
Support services - students and staff	72,390		219,117
Support services - administration			30,694
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	167,416		20,074
Total expenditures	<u>304,044</u>		<u>909,570</u>
Excess (deficiency) of revenues over expenditures	<u>9,257</u>	<u>289,262</u>	<u>48,531</u>
Other financing sources (uses):			
Transfers out	(9,257)		(48,531)
Total other financing sources (uses):	<u>(9,257)</u>		<u>(48,531)</u>
Changes in fund balances		<u>289,262</u>	
Fund balances, beginning of year		12,930	
Fund balances, end of year	<u>\$</u>	<u>\$ 302,192</u>	<u>\$</u>

State Vocational Education	Failing Schools Tutoring Grant	Other State Projects	Food Service	Civic Center	Community School
\$	\$	\$	\$	\$	\$
121,804	25,441	119,040	1,418,476	424,940	405,302
			4,087,807		
121,804	25,441	119,040	5,506,283	424,940	405,302
10,782	24,962			125,125	396,787
111,022	479	111,307		1,489	131
		395		32,462	
		22		256,455	
			5,084,208		
		7,316	483,588	75,550	
121,804	25,441	119,040	5,567,796	491,081	396,918
			(61,513)	(66,141)	8,384
			(61,513)	(66,141)	8,384
			630,041	788,696	313,375
\$	\$	\$	\$	\$	\$
			568,528	722,555	321,759

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2013

	Extracurricular Activities Fees Tax Credit	Gifts and Donations	Fingerprint
Revenues:			
Other local	\$ 760,334	\$ 1,059,314	\$ 8,189
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>760,334</u>	<u>1,059,314</u>	<u>8,189</u>
Expenditures:			
Current -			
Instruction	709,584	201,937	
Support services - students and staff	37,127	31,249	
Support services - administration		19,550	7,459
Operation and maintenance of plant services		233	
Student transportation services			476
Operation of non-instructional services		438,078	
Capital outlay	73,155	143,076	
Total expenditures	<u>819,866</u>	<u>834,123</u>	<u>7,935</u>
Excess (deficiency) of revenues over expenditures	<u>(59,532)</u>	<u>225,191</u>	<u>254</u>
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(59,532)</u>	<u>225,191</u>	<u>254</u>
Fund balances, beginning of year	811,425	1,863,608	2,500
Fund balances, end of year	<u>\$ 751,893</u>	<u>\$ 2,088,799</u>	<u>\$ 2,754</u>

<u>Textbooks</u>	<u>Insurance Refund</u>	<u>Grants and Gifts to Teachers</u>	<u>Joint Technical Education</u>	<u>Intergovernmental Agreements</u>	<u>Totals</u>
\$ 7,655	\$	\$ 3,455	\$ 648,985	\$ 7,049	\$ 4,799,029
					5,262,493
<u>7,655</u>	<u></u>	<u>3,455</u>	<u>648,985</u>	<u>7,049</u>	<u>14,521,987</u>
					<u>24,583,509</u>
		5,286	268,938		13,055,575
1,948			223,468		2,832,239
			38,331		298,445
					295,019
					26,974
					5,522,286
<u>1,948</u>	<u></u>	<u>500</u>	<u>143,221</u>	<u></u>	<u>1,303,435</u>
<u>5,707</u>	<u></u>	<u>5,786</u>	<u>673,958</u>	<u></u>	<u>23,333,973</u>
		(2,331)	(24,973)	7,049	1,249,536
					(480,752)
					(480,752)
<u>5,707</u>	<u></u>	<u>(2,331)</u>	<u>(24,973)</u>	<u>7,049</u>	<u>768,784</u>
46,300	22,604	2,331	24,973		9,456,057
<u>\$ 52,007</u>	<u>\$ 22,604</u>	<u>\$</u>	<u>\$</u>	<u>\$ 7,049</u>	<u>\$ 10,224,841</u>

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2013

	Classroom Site		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 25,016	\$ 25,016
State aid and grants	3,097,979	4,417,924	1,319,945
Federal aid, grants and reimbursements			
Total revenues	<u>3,097,979</u>	<u>4,442,940</u>	<u>1,344,961</u>
Expenditures:			
Current -			
Instruction	6,602,415	3,575,023	3,027,392
Support services - students and staff	226,212	103,800	122,412
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>6,828,627</u>	<u>3,678,823</u>	<u>3,149,804</u>
Excess (deficiency) of revenues over expenditures	<u>(3,730,648)</u>	<u>764,117</u>	<u>4,494,765</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(3,730,648)</u>	<u>764,117</u>	<u>4,494,765</u>
Fund balances, beginning of year		2,669,788	2,669,788
Fund balances (deficits), end of year	<u>\$ (3,730,648)</u>	<u>\$ 3,433,905</u>	<u>\$ 7,164,553</u>

Instructional Improvement			Compensatory Instruction		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 600,000	\$ 26,910 577,994	\$ 26,910 (22,006)	\$	\$ 290	\$ 290
600,000	604,904	4,904		290	290
2,671,000	820,408	1,850,592		290	(290)
279,000	85,630	193,370			
50,000	15,556	34,444			
3,000,000	921,594	2,078,406		290	(290)
(2,400,000)	(316,690)	2,083,310			
(2,400,000)	(316,690)	2,083,310			
	2,267,486	2,267,486			
\$ (2,400,000)	\$ 1,950,796	\$ 4,350,796	\$	\$	\$

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2013

	Title I Grants		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	4,800,000	4,405,167	(394,833)
Total revenues	<u>4,800,000</u>	<u>4,405,167</u>	<u>(394,833)</u>
Expenditures:			
Current -			
Instruction	3,004,000	2,756,671	247,329
Support services - students and staff	1,162,000	1,066,021	95,979
Support services - administration	224,000	206,014	17,986
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	182,000	167,179	14,821
Total expenditures	<u>4,572,000</u>	<u>4,195,885</u>	<u>376,115</u>
Excess (deficiency) of revenues over expenditures	<u>228,000</u>	<u>209,282</u>	<u>(18,718)</u>
Other financing sources (uses):			
Transfers in			
Transfers out	(228,000)	(209,282)	18,718
Total other financing sources (uses):	<u>(228,000)</u>	<u>(209,282)</u>	<u>18,718</u>
Changes in fund balances			
Fund balances, beginning of year			
Fund balances, end of year	<u>\$</u>	<u>\$</u>	<u>\$</u>

Professional Development and Technology Grants			Limited English and Immigrant Students		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
1,200,000	616,775	(583,225)	225,000	352,695	127,695
1,200,000	616,775	(583,225)	225,000	352,695	127,695
653,000	596,584	56,416	77,000	156,601	(79,601)
			77,000	154,638	(77,638)
			13,000	26,476	(13,476)
			3,000	5,559	(2,559)
653,000	596,584	56,416	170,000	343,274	(173,274)
547,000	20,191	(526,809)	55,000	9,421	(45,579)
(22,000)	(20,191)	1,809	(5,000)	(9,421)	(4,421)
(22,000)	(20,191)	1,809	(5,000)	(9,421)	(4,421)
525,000		(525,000)	50,000		(50,000)
\$ 525,000	\$	\$ (525,000)	\$ 50,000	\$	\$ (50,000)

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2013

	Indian Education		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	50,000	50,406	406
Total revenues	<u>50,000</u>	<u>50,406</u>	<u>406</u>
Expenditures:			
Current -			
Instruction	59,000	47,952	11,048
Support services - students and staff	500	443	57
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>59,500</u>	<u>48,395</u>	<u>11,105</u>
Excess (deficiency) of revenues over expenditures	<u>(9,500)</u>	<u>2,011</u>	<u>11,511</u>
Other financing sources (uses):			
Transfers in			
Transfers out	(2,500)	(2,011)	489
Total other financing sources (uses):	<u>(2,500)</u>	<u>(2,011)</u>	<u>489</u>
Changes in fund balances	<u>(12,000)</u>		<u>12,000</u>
Fund balances, beginning of year			
Fund balances (deficits), end of year	<u>\$ (12,000)</u>	<u>\$</u>	<u>\$ 12,000</u>

Special Education Grants			Johnson O'Malley		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
3,800,000	3,444,980	(355,020)	10,000	6,897	(3,103)
<u>3,800,000</u>	<u>3,444,980</u>	<u>(355,020)</u>	<u>10,000</u>	<u>6,897</u>	<u>(3,103)</u>
4,270,000	3,250,701	1,019,299	1,000	605	395
14,000	10,647	3,353	7,000	4,749	2,251
2,000	1,871	129			
			1,500	1,245	255
<u>4,286,000</u>	<u>3,263,219</u>	<u>1,022,781</u>	<u>9,500</u>	<u>6,599</u>	<u>2,901</u>
<u>(486,000)</u>	<u>181,761</u>	<u>667,761</u>	<u>500</u>	<u>298</u>	<u>(202)</u>
(199,000)	(181,761)	17,239	(500)	(298)	202
<u>(199,000)</u>	<u>(181,761)</u>	<u>17,239</u>	<u>(500)</u>	<u>(298)</u>	<u>202</u>
(685,000)		685,000			
<u>\$ (685,000)</u>	<u>\$</u>	<u>\$ 685,000</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2013

	Vocational Education		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	340,000	313,301	(26,699)
Total revenues	<u>340,000</u>	<u>313,301</u>	<u>(26,699)</u>
Expenditures:			
Current -			
Instruction	70,000	64,238	5,762
Support services - students and staff	78,000	72,390	5,610
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	182,000	167,416	14,584
Total expenditures	<u>330,000</u>	<u>304,044</u>	<u>25,956</u>
Excess (deficiency) of revenues over expenditures	<u>10,000</u>	<u>9,257</u>	<u>(743)</u>
Other financing sources (uses):			
Transfers in			
Transfers out	(10,000)	(9,257)	743
Total other financing sources (uses):	<u>(10,000)</u>	<u>(9,257)</u>	<u>743</u>
Changes in fund balances			
Fund balances, beginning of year			
Fund balances, end of year	<u>\$</u>	<u>\$</u>	<u>\$</u>

Medicaid Reimbursement			E-Rate		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 12,064	\$ 12,064	\$	\$ 3,404	\$ 3,404
1,500,000	366,021	(1,133,979)	750,000	285,858	(464,142)
<u>1,500,000</u>	<u>378,085</u>	<u>(1,121,915)</u>	<u>750,000</u>	<u>289,262</u>	<u>(460,738)</u>
287,000	14,371	272,629	750,000		750,000
585,000	29,290	555,710			
628,000	31,389	596,611			
<u>1,500,000</u>	<u>75,050</u>	<u>1,424,950</u>	<u>750,000</u>		<u>750,000</u>
	303,035	303,035		289,262	289,262
	303,035	303,035		289,262	289,262
	631,483	631,483		12,930	12,930
<u>\$</u>	<u>\$ 934,518</u>	<u>\$ 934,518</u>	<u>\$</u>	<u>\$ 302,192</u>	<u>\$ 302,192</u>

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2013

	Other Federal Projects		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	1,150,000	958,101	(191,899)
Total revenues	<u>1,150,000</u>	<u>958,101</u>	<u>(191,899)</u>
Expenditures:			
Current -			
Instruction	768,000	639,685	128,315
Support services - students and staff	263,000	219,117	43,883
Support services - administration	37,000	30,694	6,306
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	24,000	20,074	3,926
Total expenditures	<u>1,092,000</u>	<u>909,570</u>	<u>182,430</u>
Excess (deficiency) of revenues over expenditures	<u>58,000</u>	<u>48,531</u>	<u>(9,469)</u>
Other financing sources (uses):			
Transfers in			
Transfers out	(58,000)	(48,531)	9,469
Total other financing sources (uses):	<u>(58,000)</u>	<u>(48,531)</u>	<u>9,469</u>
Changes in fund balances			
Fund balances, beginning of year			
Fund balances, end of year	<u>\$</u>	<u>\$</u>	<u>\$</u>

State Vocational Education			Failing Schools Tutoring Grant		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 125,000	\$ 121,804	\$ (3,196)	\$	\$ 25,441	\$ 25,441
<u>125,000</u>	<u>121,804</u>	<u>(3,196)</u>	<u></u>	<u>25,441</u>	<u>25,441</u>
10,000	10,782	(782)		24,962	(24,962)
108,000	111,022	(3,022)		479	(479)
<u>118,000</u>	<u>121,804</u>	<u>(3,804)</u>	<u></u>	<u>25,441</u>	<u>(25,441)</u>
<u>7,000</u>		<u>(7,000)</u>	<u></u>	<u></u>	<u></u>
<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>
<u>7,000</u>		<u>(7,000)</u>	<u></u>	<u></u>	<u></u>
<u>\$ 7,000</u>	<u>\$</u>	<u>\$ (7,000)</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2013

	Other State Projects		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants	165,000	119,040	(45,960)
Federal aid, grants and reimbursements			
Total revenues	<u>165,000</u>	<u>119,040</u>	<u>(45,960)</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff	116,000	111,307	4,693
Support services - administration	500	395	105
Operation and maintenance of plant services			
Student transportation services	500	22	478
Operation of non-instructional services			
Capital outlay	8,000	7,316	684
Total expenditures	<u>125,000</u>	<u>119,040</u>	<u>5,960</u>
Excess (deficiency) of revenues over expenditures	<u>40,000</u>		<u>(40,000)</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>40,000</u>		<u>(40,000)</u>
Fund balances, beginning of year			
Fund balances (deficits), end of year	<u>\$ 40,000</u>	<u>\$</u>	<u>\$ (40,000)</u>

School Plant			Food Service		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 250,000	\$ 214,620	\$ (35,380)	\$ 1,216,000	\$ 1,418,476	\$ 202,476
			3,534,000	4,087,807	553,807
<u>250,000</u>	<u>214,620</u>	<u>(35,380)</u>	<u>4,750,000</u>	<u>5,506,283</u>	<u>756,283</u>
525,000	1,313	523,687			
			4,566,000	5,084,208	(518,208)
			434,000	483,588	(49,588)
<u>525,000</u>	<u>1,313</u>	<u>523,687</u>	<u>5,000,000</u>	<u>5,567,796</u>	<u>(567,796)</u>
<u>(275,000)</u>	<u>213,307</u>	<u>488,307</u>	<u>(250,000)</u>	<u>(61,513)</u>	<u>188,487</u>
<u>(275,000)</u>	<u>213,307</u>	<u>488,307</u>	<u>(250,000)</u>	<u>(61,513)</u>	<u>188,487</u>
	1,973,614	1,973,614		630,041	630,041
<u>\$ (275,000)</u>	<u>\$ 2,186,921</u>	<u>\$ 2,461,921</u>	<u>\$ (250,000)</u>	<u>\$ 568,528</u>	<u>\$ 818,528</u>

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2013

	Civic Center		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 450,000	\$ 424,940	\$ (25,060)
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>450,000</u>	<u>424,940</u>	<u>(25,060)</u>
Expenditures:			
Current -			
Instruction	153,000	125,125	27,875
Support services - students and staff	2,000	1,489	511
Support services - administration	40,000	32,462	7,538
Operation and maintenance of plant services	313,000	256,455	56,545
Student transportation services			
Operation of non-instructional services			
Capital outlay	92,000	75,550	16,450
Total expenditures	<u>600,000</u>	<u>491,081</u>	<u>108,919</u>
Excess (deficiency) of revenues over expenditures	<u>(150,000)</u>	<u>(66,141)</u>	<u>83,859</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(150,000)</u>	<u>(66,141)</u>	<u>83,859</u>
Fund balances, beginning of year		788,696	788,696
Fund balances (deficits), end of year	<u>\$ (150,000)</u>	<u>\$ 722,555</u>	<u>\$ 872,555</u>

Community School			Auxiliary Operations		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$ 350,000	\$ 405,302	\$ 55,302	\$ 1,325,000	\$ 1,472,683	\$ 147,683
<u>350,000</u>	<u>405,302</u>	<u>55,302</u>	<u>1,325,000</u>	<u>1,472,683</u>	<u>147,683</u>
399,500	396,787	2,713	1,830,000	1,408,205	421,795
500	131	369	123,000	94,733	28,267
			18,000	13,573	4,427
			29,000	22,065	6,935
<u>400,000</u>	<u>396,918</u>	<u>3,082</u>	<u>2,000,000</u>	<u>1,538,576</u>	<u>461,424</u>
<u>(50,000)</u>	<u>8,384</u>	<u>58,384</u>	<u>(675,000)</u>	<u>(65,893)</u>	<u>609,107</u>
<u>(50,000)</u>	<u>8,384</u>	<u>58,384</u>	<u>(675,000)</u>	<u>(65,893)</u>	<u>609,107</u>
	313,375	313,375		857,141	857,141
<u>\$ (50,000)</u>	<u>\$ 321,759</u>	<u>\$ 371,759</u>	<u>\$ (675,000)</u>	<u>\$ 791,248</u>	<u>\$ 1,466,248</u>

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2013

	Extracurricular Activities Fees Tax Credit		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 900,000	\$ 760,334	\$ (139,666)
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>900,000</u>	<u>760,334</u>	<u>(139,666)</u>
Expenditures:			
Current -			
Instruction	1,082,000	709,584	372,416
Support services - students and staff	57,000	37,127	19,873
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	111,000	73,155	37,845
Total expenditures	<u>1,250,000</u>	<u>819,866</u>	<u>430,134</u>
Excess (deficiency) of revenues over expenditures	<u>(350,000)</u>	<u>(59,532)</u>	<u>290,468</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(350,000)</u>	<u>(59,532)</u>	<u>290,468</u>
Fund balances, beginning of year		811,425	811,425
Fund balances (deficits), end of year	<u>\$ (350,000)</u>	<u>\$ 751,893</u>	<u>\$ 1,101,893</u>

Gifts and Donations			Fingerprint		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 675,000	\$ 1,059,314	\$ 384,314	\$ 25,000	\$ 8,189	\$ (16,811)
<u>675,000</u>	<u>1,059,314</u>	<u>384,314</u>	<u>25,000</u>	<u>8,189</u>	<u>(16,811)</u>
170,000	201,937	(31,937)			
26,000	31,249	(5,249)			
16,000	19,550	(3,550)	24,000	7,459	16,541
	233	(233)			
			1,000	476	524
368,000	438,078	(70,078)			
120,000	143,076	(23,076)			
<u>700,000</u>	<u>834,123</u>	<u>(134,123)</u>	<u>25,000</u>	<u>7,935</u>	<u>17,065</u>
<u>(25,000)</u>	<u>225,191</u>	<u>250,191</u>		<u>254</u>	<u>254</u>
<u>(25,000)</u>	<u>225,191</u>	<u>250,191</u>		<u>254</u>	<u>254</u>
	1,863,608	1,863,608		2,500	2,500
<u>\$ (25,000)</u>	<u>\$ 2,088,799</u>	<u>\$ 2,113,799</u>	<u>\$</u>	<u>\$ 2,754</u>	<u>\$ 2,754</u>

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2013

	Insurance Proceeds		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 50,000	\$ 87,880	\$ 37,880
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>50,000</u>	<u>87,880</u>	<u>37,880</u>
Expenditures:			
Current -			
Instruction	11,000	4,757	6,243
Support services - students and staff			
Support services - administration	2,000	627	1,373
Operation and maintenance of plant services	79,000	33,366	45,634
Student transportation services	156,000	65,355	90,645
Operation of non-instructional services			
Capital outlay	102,000	42,954	59,046
Total expenditures	<u>350,000</u>	<u>147,059</u>	<u>202,941</u>
Excess (deficiency) of revenues over expenditures	<u>(300,000)</u>	<u>(59,179)</u>	<u>240,821</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(300,000)</u>	<u>(59,179)</u>	<u>240,821</u>
Fund balances, beginning of year		199,112	199,112
Fund balances (deficits), end of year	<u>\$ (300,000)</u>	<u>\$ 139,933</u>	<u>\$ 439,933</u>

Textbooks			Litigation Recovery		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$ 6,000	\$ 7,655	\$ 1,655	\$ 5,000	\$ 2,059	\$ (2,941)
<u>6,000</u>	<u>7,655</u>	<u>1,655</u>	<u>5,000</u>	<u>2,059</u>	<u>(2,941)</u>
15,000	1,948	13,052	5,000		5,000
<u>15,000</u>	<u>1,948</u>	<u>13,052</u>	<u>5,000</u>		<u>5,000</u>
<u>(9,000)</u>	<u>5,707</u>	<u>14,707</u>		<u>2,059</u>	<u>2,059</u>
<u>(9,000)</u>	<u>5,707</u>	<u>14,707</u>		<u>2,059</u>	<u>2,059</u>
	46,300	46,300		181,200	181,200
<u>\$ (9,000)</u>	<u>\$ 52,007</u>	<u>\$ 61,007</u>	<u>\$</u>	<u>\$ 183,259</u>	<u>\$ 183,259</u>

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2013

	Indirect Costs		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 2,093	\$ 2,093
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>2,093</u>	<u>2,093</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff	23,000	20,474	2,526
Support services - administration	477,000	416,272	60,728
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>500,000</u>	<u>436,746</u>	<u>63,254</u>
Excess (deficiency) of revenues over expenditures	<u>(500,000)</u>	<u>(434,653)</u>	<u>65,347</u>
Other financing sources (uses):			
Transfers in	525,000	480,752	(44,248)
Transfers out			
Total other financing sources (uses):	<u>525,000</u>	<u>480,752</u>	<u>(44,248)</u>
Changes in fund balances	<u>25,000</u>	<u>46,099</u>	<u>21,099</u>
Fund balances, beginning of year		65,804	65,804
Fund balances (deficits), end of year	<u>\$ 25,000</u>	<u>\$ 111,903</u>	<u>\$ 86,903</u>

Insurance Refund			Grants and Gifts to Teachers		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$ 5,000	\$ 3,455	\$ (1,545)
			5,000	3,455	(1,545)
			9,000	5,286	3,714
			1,000	500	500
			10,000	5,786	4,214
			(5,000)	(2,331)	2,669
			(5,000)	(2,331)	2,669
	22,604	22,604		2,331	2,331
\$	\$ 22,604	\$ 22,604	\$ (5,000)	\$	\$ 5,000

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2013

	Joint Technical Education		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 675,000	\$ 648,985	\$ (26,015)
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>675,000</u>	<u>648,985</u>	<u>(26,015)</u>
Expenditures:			
Current -			
Instruction	254,000	268,938	(14,938)
Support services - students and staff	211,000	223,468	(12,468)
Support services - administration			
Operation and maintenance of plant services	36,000	38,331	(2,331)
Student transportation services			
Operation of non-instructional services			
Capital outlay	136,000	143,221	(7,221)
Total expenditures	<u>637,000</u>	<u>673,958</u>	<u>(36,958)</u>
Excess (deficiency) of revenues over expenditures	<u>38,000</u>	<u>(24,973)</u>	<u>(62,973)</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>38,000</u>	<u>(24,973)</u>	<u>(62,973)</u>
Fund balances, beginning of year		24,973	24,973
Fund balances (deficits), end of year	<u>\$ 38,000</u>	<u>\$</u>	<u>\$ (38,000)</u>

Intergovernmental Agreements			Totals		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$ 10,000	\$ 7,049	\$ (2,951)	\$ 5,942,000	\$ 6,590,428	\$ 648,428
			3,987,979	5,262,493	1,274,514
			17,359,000	14,888,008	(2,470,992)
<u>10,000</u>	<u>7,049</u>	<u>(2,951)</u>	<u>27,288,979</u>	<u>26,740,929</u>	<u>(548,050)</u>
			22,482,915	14,482,908	8,000,007
			4,026,212	2,976,736	1,049,476
			1,347,500	716,657	630,843
			428,000	328,385	99,615
50,000		50,000	220,500	92,329	128,171
			4,952,000	5,535,859	(583,859)
			2,103,500	1,399,843	703,657
<u>50,000</u>		<u>50,000</u>	<u>35,560,627</u>	<u>25,532,717</u>	<u>10,027,910</u>
<u>(40,000)</u>	<u>7,049</u>	<u>47,049</u>	<u>(8,271,648)</u>	<u>1,208,212</u>	<u>9,479,860</u>
			525,000	480,752	(44,248)
			<u>(525,000)</u>	<u>(480,752)</u>	<u>44,248</u>
<u>(40,000)</u>	<u>7,049</u>	<u>47,049</u>	<u>(8,271,648)</u>	<u>1,208,212</u>	<u>9,479,860</u>
				13,364,411	13,364,411
<u>\$ (40,000)</u>	<u>\$ 7,049</u>	<u>\$ 47,049</u>	<u>\$ (8,271,648)</u>	<u>\$ 14,572,623</u>	<u>\$ 22,844,271</u>

(This page intentionally left blank)

DEBT SERVICE FUND

Debt Service - to account for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL DEBT SERVICE FUNDS
YEAR ENDED JUNE 30, 2013

	Debt Service		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 163,546	\$ 163,546
Property taxes	16,857,654	14,493,888	(2,363,766)
Total revenues	<u>16,857,654</u>	<u>14,657,434</u>	<u>(2,200,220)</u>
Expenditures:			
Debt service -			
Principal retirement	7,900,000	7,900,000	
Interest and fiscal charges	10,100,000	3,583,138	6,516,862
Total expenditures	<u>18,000,000</u>	<u>11,483,138</u>	<u>6,516,862</u>
Excess (deficiency) of revenues over expenditures	<u>(1,142,346)</u>	<u>3,174,296</u>	<u>4,316,642</u>
Other financing sources (uses):			
Transfers in		43,314	43,314
Total other financing sources (uses):		<u>43,314</u>	<u>43,314</u>
Changes in fund balances	<u>(1,142,346)</u>	<u>3,217,610</u>	<u>4,359,956</u>
Fund balances, beginning of year		1,706,680	1,706,680
Fund balances (deficits), end of year	<u>\$ (1,142,346)</u>	<u>\$ 4,924,290</u>	<u>\$ 6,066,636</u>

CAPITAL PROJECTS FUNDS

Unrestricted Capital Outlay - to account for transactions relating to the acquisition of capital items.

Adjacent Ways - to account for monies received to finance improvements of public ways adjacent to school property.

Soft Capital Allocation - to account for transactions relating to the acquisition of short-term capital items required to meet academic adequacy standards.

Bond Building - to account for proceeds from District bond issues that are expended on the acquisition or lease of sites, construction or renovation of school buildings, improving school grounds, or purchasing pupil transportation vehicles.

Gifts and Donations - Capital - to account for gifts and donations to be expended for capital acquisitions.

Condemnation - to account for monies received from proceeds from sales by condemnation or right-of-way settlements.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2013

	<u>Adjacent Ways</u>	<u>Soft Capital Allocation</u>	<u>Totals</u>
<u>ASSETS</u>			
Cash and investments	\$ 1,288,745	\$ 5,340,542	\$ 6,629,287
Property taxes receivable	10,709	46,579	57,288
Due from governmental entities		671,438	671,438
Total assets	<u><u>\$ 1,299,454</u></u>	<u><u>\$ 6,058,559</u></u>	<u><u>\$ 7,358,013</u></u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$ 117,333	\$ 117,333
Deferred revenues	10,709	40,408	51,117
Total liabilities	<u>10,709</u>	<u>157,741</u>	<u>168,450</u>
Fund balances:			
Restricted	1,288,745		1,288,745
Committed		5,900,818	5,900,818
Total fund balances	<u>1,288,745</u>	<u>5,900,818</u>	<u>7,189,563</u>
Total liabilities and fund balances	<u><u>\$ 1,299,454</u></u>	<u><u>\$ 6,058,559</u></u>	<u><u>\$ 7,358,013</u></u>

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2013

	Adjacent Ways	Soft Capital Allocation	Totals
Revenues:			
Other local	\$ 14,004	\$ 97,539	\$ 111,543
Property taxes	271,561	1,441,094	1,712,655
State aid and grants		592,367	592,367
Total revenues	<u>285,565</u>	<u>2,131,000</u>	<u>2,416,565</u>
Expenditures:			
Capital outlay	<u>325,523</u>	<u>1,538,548</u>	<u>1,864,071</u>
Total expenditures	<u>325,523</u>	<u>1,538,548</u>	<u>1,864,071</u>
Excess (deficiency) of revenues over expenditures	<u>(39,958)</u>	<u>592,452</u>	<u>552,494</u>
Other financing sources (uses):			
Transfers out		(1,625,000)	(1,625,000)
Total other financing sources (uses):		<u>(1,625,000)</u>	<u>(1,625,000)</u>
Changes in fund balances	<u>(39,958)</u>	<u>(1,032,548)</u>	<u>(1,072,506)</u>
Fund balances, beginning of year	1,328,703	6,933,366	8,262,069
Fund balances, end of year	<u>\$ 1,288,745</u>	<u>\$ 5,900,818</u>	<u>\$ 7,189,563</u>

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2013

	Unrestricted Capital Outlay		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 156,673	\$ 259,773	\$ 103,100
Property taxes	3,420,111	3,267,801	(152,310)
State aid and grants	690,435	644,983	(45,452)
Total revenues	<u>4,267,219</u>	<u>4,172,557</u>	<u>(94,662)</u>
Expenditures:			
Capital outlay	13,517,926	5,817,096	7,700,830
Total expenditures	<u>13,517,926</u>	<u>5,817,096</u>	<u>7,700,830</u>
Excess (deficiency) of revenues over expenditures	<u>(9,250,707)</u>	<u>(1,644,539)</u>	<u>7,606,168</u>
Other financing sources (uses):			
Transfers out		(2,935,000)	(2,935,000)
Total other financing sources (uses):		<u>(2,935,000)</u>	<u>(2,935,000)</u>
Changes in fund balances	<u>(9,250,707)</u>	<u>(4,579,539)</u>	<u>4,671,168</u>
Fund balances, beginning of year		14,832,509	14,832,509
Fund balances (deficits), end of year	<u>\$ (9,250,707)</u>	<u>\$ 10,252,970</u>	<u>\$ 19,503,677</u>

Adjacent Ways			Soft Capital Allocation		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 274,304	\$ 14,004 271,561	\$ 14,004 (2,743)	\$ 204,348	\$ 97,539	\$ (106,809)
			1,813,910	1,441,094	(372,816)
			1,209,267	592,367	(616,900)
<u>274,304</u>	<u>285,565</u>	<u>11,261</u>	<u>3,227,525</u>	<u>2,131,000</u>	<u>(1,096,525)</u>
1,600,000	325,523	1,274,477	5,596,314	1,538,548	4,057,766
<u>1,600,000</u>	<u>325,523</u>	<u>1,274,477</u>	<u>5,596,314</u>	<u>1,538,548</u>	<u>4,057,766</u>
<u>(1,325,696)</u>	<u>(39,958)</u>	<u>1,285,738</u>	<u>(2,368,789)</u>	<u>592,452</u>	<u>2,961,241</u>
				(1,625,000)	(1,625,000)
				<u>(1,625,000)</u>	<u>(1,625,000)</u>
<u>(1,325,696)</u>	<u>(39,958)</u>	<u>1,285,738</u>	<u>(2,368,789)</u>	<u>(1,032,548)</u>	<u>1,336,241</u>
	1,328,703	1,328,703		6,933,366	6,933,366
<u>\$ (1,325,696)</u>	<u>\$ 1,288,745</u>	<u>\$ 2,614,441</u>	<u>\$ (2,368,789)</u>	<u>\$ 5,900,818</u>	<u>\$ 8,269,607</u>

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2013

	Bond Building		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 43,314	\$ 43,314
Property taxes			
State aid and grants			
Total revenues		<u>43,314</u>	<u>43,314</u>
Expenditures:			
Capital outlay	36,798,579	17,862,954	18,935,625
Total expenditures	<u>36,798,579</u>	<u>17,862,954</u>	<u>18,935,625</u>
Excess (deficiency) of revenues over expenditures	<u>(36,798,579)</u>	<u>(17,819,640)</u>	<u>18,978,939</u>
Other financing sources (uses):			
Transfers out		(43,314)	(43,314)
Total other financing sources (uses):		<u>(43,314)</u>	<u>(43,314)</u>
Changes in fund balances	<u>(36,798,579)</u>	<u>(17,862,954)</u>	<u>18,935,625</u>
Fund balances, beginning of year		36,798,578	36,798,578
Fund balances (deficits), end of year	<u>\$ (36,798,579)</u>	<u>\$ 18,935,624</u>	<u>\$ 55,734,203</u>

Gifts and Donations - Capital			Condemnation		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$ 10,000	\$	\$ (10,000)	\$	\$ 3,651	\$ 3,651
10,000		(10,000)		3,651	3,651
50,000		50,000	135,000		135,000
50,000		50,000	135,000		135,000
(40,000)		40,000	(135,000)	3,651	138,651
(40,000)		40,000	(135,000)	3,651	138,651
				127,055	127,055
\$ (40,000)	\$	\$ 40,000	\$ (135,000)	\$ 130,706	\$ 265,706

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2013

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 371,021	\$ 418,281	\$ 47,260
Property taxes	5,508,325	4,980,456	(527,869)
State aid and grants	1,899,702	1,237,350	(662,352)
Total revenues	<u>7,779,048</u>	<u>6,636,087</u>	<u>(1,142,961)</u>
Expenditures:			
Capital outlay	57,697,819	25,544,121	32,153,698
Total expenditures	<u>57,697,819</u>	<u>25,544,121</u>	<u>32,153,698</u>
Excess (deficiency) of revenues over expenditures	<u>(49,918,771)</u>	<u>(18,908,034)</u>	<u>31,010,737</u>
Other financing sources (uses):			
Transfers out		(4,603,314)	(4,603,314)
Total other financing sources (uses):		<u>(4,603,314)</u>	<u>(4,603,314)</u>
Changes in fund balances	<u>(49,918,771)</u>	<u>(23,511,348)</u>	<u>26,407,423</u>
Fund balances, beginning of year		60,020,211	60,020,211
Fund balances (deficits), end of year	<u>\$ (49,918,771)</u>	<u>\$ 36,508,863</u>	<u>\$ 86,427,634</u>

INTERNAL SERVICE FUNDS

Print Shop - to account for charges to other departments for printing and copying services.

Technology - to account for charges to other departments for technology-related goods and services.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING STATEMENT OF NET POSITION -
ALL INTERNAL SERVICE FUNDS
JUNE 30, 2013

	<u>Print Shop</u>	<u>Technology</u>	<u>Totals</u>
<u>ASSETS</u>			
Current assets:			
Cash and investments	\$ 164,894	\$	\$ 164,894
Accounts receivable	218		218
Due from other funds	14,518	68,876	83,394
Total current assets	<u>179,630</u>	<u>68,876</u>	<u>248,506</u>
Noncurrent assets:			
Vehicles, furniture and equipment	534,881		534,881
Accumulated depreciation	(228,051)		(228,051)
Total noncurrent assets	<u>306,830</u>		<u>306,830</u>
Total assets	<u>486,460</u>	<u>68,876</u>	<u>555,336</u>
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	6,509		6,509
Accrued payroll and employee benefits	1,491		1,491
Total current liabilities	<u>8,000</u>		<u>8,000</u>
Total liabilities	<u>8,000</u>		<u>8,000</u>
<u>NET POSITION</u>			
Net investment in capital assets	306,830		306,830
Unrestricted	171,630	68,876	240,506
Total net position	<u>\$ 478,460</u>	<u>\$ 68,876</u>	<u>\$ 547,336</u>

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION -
ALL INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Print Shop	Technology	Totals
Operating revenues:			
Charges for services	\$ 413,770	\$ 68,876	\$ 482,646
Total operating revenues	<u>413,770</u>	<u>68,876</u>	<u>482,646</u>
Operating expenses:			
Depreciation	36,305		36,305
Cost of services	389,788		389,788
Total operating expenses	<u>426,093</u>	<u></u>	<u>426,093</u>
Operating income (loss)	<u>(12,323)</u>	<u>68,876</u>	<u>56,553</u>
Nonoperating revenues (expenses):			
Investment income	1,812		1,812
Total nonoperating revenues (expenses)	<u>1,812</u>	<u></u>	<u>1,812</u>
Changes in net position	<u>(10,511)</u>	<u>68,876</u>	<u>58,365</u>
Total net position, beginning of year	488,971		488,971
Total net position, end of year	<u>\$ 478,460</u>	<u>\$ 68,876</u>	<u>\$ 547,336</u>

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING STATEMENT OF CASH FLOWS
ALL INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Print Shop</u>	<u>Technology</u>	<u>Totals</u>
<u>Increase in Cash and Cash Equivalents</u>			
Cash flows from operating activities:			
Cash received for services	\$ 422,001	\$	\$ 422,001
Cash payments to employees for services	(152,200)		(152,200)
Cash payments to suppliers for goods and services	(235,318)		(235,318)
Net cash provided by operating activities	<u>34,483</u>		<u>34,483</u>
Cash flows from investing activities:			
Investment income	<u>1,812</u>		<u>1,812</u>
Net cash provided by investing activities	<u>1,812</u>		<u>1,812</u>
Net increase in cash and cash equivalents	<u>36,295</u>		<u>36,295</u>
Cash and cash equivalents, beginning of year	<u>128,599</u>		<u>128,599</u>
Cash and cash equivalents, end of year	<u>\$ 164,894</u>	<u>\$</u>	<u>\$ 164,894</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>			
<u>Provided by Operating Activities</u>			
Operating income (loss)	\$ (12,323)	\$ 68,876	\$ 56,553
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation expense	36,305		36,305
Changes in assets and liabilities:			
Decrease in accounts receivable	96		96
Decrease (increase) in due from other funds	8,135	(68,876)	(60,741)
Increase in accounts payable	779		779
Increase in accrued payroll and employee benefits	<u>1,491</u>		<u>1,491</u>
Total adjustments	<u>46,806</u>	<u>(68,876)</u>	<u>(22,070)</u>
Net cash provided by operating activities	<u>\$ 34,483</u>	<u>\$</u>	<u>\$ 34,483</u>

AGENCY FUNDS

Student Activities - to account for monies raised by students to finance student clubs and organizations but held by the District as an agent.

Employee Insurance - to account for voluntary deductions temporarily held by the District as an agent.

Direct Deposit - to account for employee direct deposit payroll held by the District until distributed.

Flexible Spending - to account for employee payroll deductions held by the District as an agent.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2013

	<u>Student Activities</u>	<u>Employee Insurance</u>	<u>Direct Deposit</u>
<u>ASSETS</u>			
Cash and investments	\$ 641,158	\$ 1,863,503	\$ 3,477,981
Total assets	<u>\$ 641,158</u>	<u>\$ 1,863,503</u>	<u>\$ 3,477,981</u>
<u>LIABILITIES</u>			
Deposits held for others	\$	\$ 1,863,503	\$ 3,477,981
Due to student groups	641,158		
Total liabilities	<u>\$ 641,158</u>	<u>\$ 1,863,503</u>	<u>\$ 3,477,981</u>

Flexible Spending	Totals
\$ 89,218	\$ 6,071,860
<u>\$ 89,218</u>	<u>\$ 6,071,860</u>

\$ 89,218	\$ 5,430,702
	641,158
<u>\$ 89,218</u>	<u>\$ 6,071,860</u>

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 2013

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<u>STUDENT ACTIVITIES</u>				
<u>Assets</u>				
Cash and investments	\$ 630,062	\$ 1,154,786	\$ 1,143,690	\$ 641,158
Total assets	<u>\$ 630,062</u>	<u>\$ 1,154,786</u>	<u>\$ 1,143,690</u>	<u>\$ 641,158</u>
<u>Liabilities</u>				
Due to student groups	\$ 630,062	\$ 1,154,786	\$ 1,143,690	\$ 641,158
Total liabilities	<u>\$ 630,062</u>	<u>\$ 1,154,786</u>	<u>\$ 1,143,690</u>	<u>\$ 641,158</u>
<u>EMPLOYEE INSURANCE</u>				
<u>Assets</u>				
Cash and investments	\$ 1,865,344	\$ 7,531,990	\$ 7,533,831	\$ 1,863,503
Total assets	<u>\$ 1,865,344</u>	<u>\$ 7,531,990</u>	<u>\$ 7,533,831</u>	<u>\$ 1,863,503</u>
<u>Liabilities</u>				
Deposits held for others	\$ 1,865,344	\$ 7,531,990	\$ 7,533,831	\$ 1,863,503
Total liabilities	<u>\$ 1,865,344</u>	<u>\$ 7,531,990</u>	<u>\$ 7,533,831</u>	<u>\$ 1,863,503</u>
<u>DIRECT DEPOSIT</u>				
<u>Assets</u>				
Cash and investments	\$ 3,428,578	\$ 72,892,417	\$ 72,843,014	\$ 3,477,981
Total assets	<u>\$ 3,428,578</u>	<u>\$ 72,892,417</u>	<u>\$ 72,843,014</u>	<u>\$ 3,477,981</u>
<u>Liabilities</u>				
Deposits held for others	\$ 3,428,578	\$ 72,892,417	\$ 72,843,014	\$ 3,477,981
Total liabilities	<u>\$ 3,428,578</u>	<u>\$ 72,892,417</u>	<u>\$ 72,843,014</u>	<u>\$ 3,477,981</u>

(Continued)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<u>FLEXIBLE SPENDING</u>				
<u>Assets</u>				
Cash and investments	\$ 89,650	\$ 188,924	\$ 189,356	\$ 89,218
Total assets	<u>\$ 89,650</u>	<u>\$ 188,924</u>	<u>\$ 189,356</u>	<u>\$ 89,218</u>
<u>Liabilities</u>				
Deposits held for others	\$ 89,650	\$ 188,924	\$ 189,356	\$ 89,218
Total liabilities	<u>\$ 89,650</u>	<u>\$ 188,924</u>	<u>\$ 189,356</u>	<u>\$ 89,218</u>
<u>TOTAL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash and investments	\$ 6,013,634	\$ 81,768,117	\$ 81,709,891	\$ 6,071,860
Total assets	<u>\$ 6,013,634</u>	<u>\$ 81,768,117</u>	<u>\$ 81,709,891</u>	<u>\$ 6,071,860</u>
<u>Liabilities</u>				
Deposits held for others	\$ 5,383,572	\$ 80,613,331	\$ 80,566,201	\$ 5,430,702
Due to student groups	630,062	1,154,786	1,143,690	641,158
Total liabilities	<u>\$ 6,013,634</u>	<u>\$ 81,768,117</u>	<u>\$ 81,709,891</u>	<u>\$ 6,071,860</u>

(Concluded)

(This page intentionally left blank)

STATISTICAL SECTION

The statistical section presents financial statement trends as well as detailed financial and operational information not available elsewhere in the report. The statistical section is intended to enhance the reader's understanding of the information presented in the financial statements, notes to the financial statements, and other supplementary information presented in this report. The statistical section is comprised of the five categories of statistical information presented below.

Financial Trends

These schedules contain information on financial trends to help the reader understand how the District's financial position and financial activities have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the District's ability to generate revenue.

Debt Capacity

These schedules present information to help the reader evaluate the District's current levels of outstanding debt as well as assess the District's ability to make debt payments and/or issue additional debt in the future.

Demographic and Economic Information

These schedules present various demographic and economic indicators to help the reader understand the environment in which the District's financial activities take place and to help make comparisons with other school districts.

Operating Information

These schedules contain information about the District's operations and various resources to help the reader draw conclusions as to how the District's financial information relates to the services provided by the District.

(This page intentionally left blank)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Net Position:					
Net investment in capital assets	\$ 124,594,995	\$ 115,861,960	\$ 104,714,457	\$ 99,391,463	\$ 87,220,704
Restricted	27,134,290	28,543,462	27,550,320	14,545,819	8,910,514
Unrestricted	<u>15,516,630</u>	<u>21,400,110</u>	<u>26,256,156</u>	<u>24,971,674</u>	<u>27,977,027</u>
Total net position	<u><u>\$ 167,245,915</u></u>	<u><u>\$ 165,805,532</u></u>	<u><u>\$ 158,520,933</u></u>	<u><u>\$ 138,908,956</u></u>	<u><u>\$ 124,108,245</u></u>
	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Net Position:					
Net investment in capital assets	\$ 72,715,154	\$ 59,105,441	\$ 46,961,339	\$ 34,417,761	\$ 24,871,840
Restricted	14,668,040	12,590,799	9,551,621	7,496,698	8,922,892
Unrestricted	<u>29,298,534</u>	<u>28,084,794</u>	<u>25,146,237</u>	<u>25,191,667</u>	<u>25,668,569</u>
Total net position	<u><u>\$ 116,681,728</u></u>	<u><u>\$ 99,781,034</u></u>	<u><u>\$ 81,659,197</u></u>	<u><u>\$ 67,106,126</u></u>	<u><u>\$ 59,463,301</u></u>

Source: The source of this information is the District's financial records.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Expenses					
Instruction	\$ 68,006,497	\$ 69,242,872	\$ 70,713,828	\$ 75,978,398	\$ 81,524,433
Support services - students and staff	14,956,867	14,290,695	14,813,278	15,722,477	16,807,419
Support services - administration	9,114,296	8,980,326	9,163,230	9,921,403	10,328,206
Operation and maintenance of plant services	16,382,934	16,263,276	16,209,322	15,992,782	16,317,003
Student transportation services	6,792,736	6,362,464	6,339,298	6,789,284	6,675,445
Operation of non-instructional services	6,016,793	5,128,055	5,030,651	5,512,656	5,447,480
Interest on long-term debt	3,468,829	3,957,928	3,007,595	3,466,552	3,411,615
Total expenses	<u>124,738,952</u>	<u>124,225,616</u>	<u>125,277,202</u>	<u>133,383,552</u>	<u>140,511,601</u>
Program Revenues					
Charges for services:					
Instruction	3,933,284	3,741,419	3,603,752	3,421,732	2,771,816
Operation of non-instructional services	1,423,886	1,402,384	2,736,615	3,002,265	3,975,684
Other activities	885,369	1,062,884	608,339	695,940	484,415
Operating grants and contributions	16,020,917	19,279,786	23,892,079	24,575,486	23,891,646
Capital grants and contributions	368,789	705,719	1,563,856	891,415	796,695
Total program revenues	<u>22,632,245</u>	<u>26,192,192</u>	<u>32,404,641</u>	<u>32,586,838</u>	<u>31,920,256</u>
Net (Expense)/Revenue	<u>\$ (102,106,707)</u>	<u>\$ (98,033,424)</u>	<u>\$ (92,872,561)</u>	<u>\$ (100,796,714)</u>	<u>\$ (108,591,345)</u>

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Expenses					
Instruction	\$ 77,925,557	\$ 71,460,417	\$ 68,568,593	\$ 63,872,620	\$ 60,220,179
Support services - students and staff	17,390,954	15,274,111	15,387,689	11,729,228	10,105,674
Support services - administration	9,937,883	9,783,159	9,563,319	11,210,614	9,878,572
Operation and maintenance of plant services	16,147,548	15,685,050	14,613,379	14,030,782	13,528,884
Student transportation services	7,125,223	6,657,273	6,253,361	5,868,254	5,173,874
Operation of non-instructional services	7,675,899	7,161,651	6,560,147	6,616,102	6,244,436
Interest on long-term debt	2,953,108	3,582,510	4,234,312	5,250,520	5,776,468
Total expenses	<u>139,156,172</u>	<u>129,604,171</u>	<u>125,180,800</u>	<u>118,578,120</u>	<u>110,928,087</u>
Program Revenues					
Charges for services:					
Instruction	3,571,304	2,932,194	2,562,583	1,642,802	1,711,976
Operation of non-instructional services	4,268,830	4,270,371	3,885,974	3,713,077	3,620,236
Other activities	538,566	837,234	1,052,731	1,225,439	767,098
Operating grants and contributions	17,994,536	12,642,232	13,530,579	12,405,032	12,245,702
Capital grants and contributions	953,751	710,810	851,387	305,574	322,671
Total program revenues	<u>27,326,987</u>	<u>21,392,841</u>	<u>21,883,254</u>	<u>19,291,924</u>	<u>18,667,683</u>
Net (Expense)/Revenue	<u>\$ (111,829,185)</u>	<u>\$ (108,211,330)</u>	<u>\$ (103,297,546)</u>	<u>\$ (99,286,196)</u>	<u>\$ (92,260,404)</u>

Source: The source of this information is the District's financial records.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Net (Expense)/Revenue	\$ (102,106,707)	\$ (98,033,424)	\$ (92,872,561)	\$ (100,796,714)	\$ (108,591,345)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	51,667,393	33,595,471	54,960,497	47,585,029	45,801,960
Property taxes, levied for debt service	14,494,845	14,846,976	15,489,595	17,993,570	16,921,674
Property taxes, levied for capital outlay	4,680,428	22,635,303	258,008		2,482,868
Investment income	454,204	270,804	404,244	354,825	732,446
Unrestricted county aid	2,028,933	2,444,344	2,309,122	2,323,857	30,705
Unrestricted state aid	29,855,266	31,525,125	38,605,088	41,701,877	50,048,209
Unrestricted federal aid	366,021		457,984	5,638,267	
Total general revenues	<u>103,547,090</u>	<u>105,318,023</u>	<u>112,484,538</u>	<u>115,597,425</u>	<u>116,017,862</u>
Changes in Net Position	<u>\$ 1,440,383</u>	<u>\$ 7,284,599</u>	<u>\$ 19,611,977</u>	<u>\$ 14,800,711</u>	<u>\$ 7,426,517</u>

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Net (Expense)/Revenue	\$ (111,829,185)	\$ (108,211,330)	\$ (103,297,546)	\$ (99,286,196)	\$ (92,260,404)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	48,519,172	44,792,709	41,853,835	34,732,405	35,397,847
Property taxes, levied for debt service	17,436,382	17,458,298	17,446,744	18,263,812	19,547,257
Property taxes, levied for capital outlay	201,671	2,666,271	2,712,162	1,139,276	2,035,177
Investment income	1,465,121	1,949,982	1,286,713	640,476	309,585
Unrestricted county aid		29,637	2,305,320	2,283,845	2,305,147
Unrestricted state aid	61,107,533	59,436,270	52,245,843	49,869,207	50,005,256
Total general revenues	<u>128,729,879</u>	<u>126,333,167</u>	<u>117,850,617</u>	<u>106,929,021</u>	<u>109,600,269</u>
Changes in Net Position	<u>\$ 16,900,694</u>	<u>\$ 18,121,837</u>	<u>\$ 14,553,071</u>	<u>\$ 7,642,825</u>	<u>\$ 17,339,865</u>

Source: The source of this information is the District's financial records.

Notes: The Arizona State Legislature suspended county equalization payments to school districts for fiscal years 2006-07 through 2008-09.

(Concluded)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
General Fund:					
Nonspendable	\$ 103,470	\$ 119,515	\$ 122,876	\$	\$
Restricted	54,348	150,732	174,810		
Assigned			880,460		
Unassigned	6,887,662	8,134,083	10,485,651		
Reserved				89,090	50,816
Unreserved				4,964,903	1,910,360
Total General Fund	<u>\$ 7,045,480</u>	<u>\$ 8,404,330</u>	<u>\$ 11,663,797</u>	<u>\$ 5,053,993</u>	<u>\$ 1,961,176</u>
All Other Governmental Funds:					
Nonspendable	\$	\$	\$ 50,472	\$	\$
Restricted	45,626,470	64,122,527	82,280,096		
Committed	5,900,818	6,933,366	6,412,499		
Unassigned			(481,977)		
Reserved				64,210	50,906
Unreserved, reported in:					
Special revenue funds				14,522,115	12,792,173
Capital projects funds				37,238,771	16,102,209
Debt service fund				2,396,432	2,902,078
Total all other governmental funds	<u>\$ 51,527,288</u>	<u>\$ 71,055,893</u>	<u>\$ 88,261,090</u>	<u>\$ 54,221,528</u>	<u>\$ 31,847,366</u>

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
General Fund:					
Reserved	\$ 925,268	\$ 876,933	\$ 127,666	\$ 126,358	\$ 237,198
Unreserved	5,078,487	4,680,782	4,711,043	5,245,485	6,104,422
Total General Fund	<u>\$ 6,003,755</u>	<u>\$ 5,557,715</u>	<u>\$ 4,838,709</u>	<u>\$ 5,371,843</u>	<u>\$ 6,341,620</u>
All Other Governmental Funds:					
Reserved	\$ 98,719	\$ 97,038	\$ 53,347	\$ 52,711	\$ 135,198
Unreserved, reported in:					
Special revenue funds	13,433,986	12,964,995	11,248,675	9,658,469	7,925,330
Capital projects funds	30,315,379	9,109,921	6,871,032	5,243,907	5,024,493
Debt service fund	3,466,787	3,035,071	2,272,617	1,898,142	2,829,474
Total all other governmental funds	<u>\$ 47,314,871</u>	<u>\$ 25,207,025</u>	<u>\$ 20,445,671</u>	<u>\$ 16,853,229</u>	<u>\$ 15,914,495</u>

Source: The source of this information is the District's financial records.

Note: The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 54 were adopted in fiscal year 2011. The standard replaces the previous reserved and unreserved fund balance categories with the following five fund balance classifications: nonspendable, restricted, committed, assigned, and unassigned fund balance.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Federal sources:					
Federal grants	\$ 10,800,201	\$ 12,413,585	\$ 18,722,040	\$ 18,997,915	\$ 18,510,443
State Fiscal Stabilization (ARRA)			457,984	5,638,267	
Education Jobs		2,037,816	1,024,635		
National School Lunch Program	4,087,807	3,329,906	2,978,594	3,111,968	2,988,377
Total federal sources	<u>14,888,008</u>	<u>17,781,307</u>	<u>23,183,253</u>	<u>27,748,150</u>	<u>21,498,820</u>
State sources:					
State equalization assistance	24,859,348	27,101,109	34,809,295	36,907,568	44,857,641
State grants	266,575	338,598	706,086	1,059,934	1,535,381
Other revenues	4,995,918	4,424,016	4,149,267	4,440,835	5,426,785
Total state sources	<u>30,121,841</u>	<u>31,863,723</u>	<u>39,664,648</u>	<u>42,408,337</u>	<u>51,819,807</u>
Local sources:					
Property taxes	70,777,682	71,550,637	70,263,528	66,308,624	64,621,005
County aid	2,028,933	2,444,344	2,309,122	2,323,857	30,705
Food service sales	1,341,086	1,392,066	1,403,137	1,608,436	1,674,976
Investment income	452,392	270,092	403,737	354,825	727,649
Other revenues	6,788,455	7,109,397	7,395,334	8,308,225	7,138,608
Total local sources	<u>81,388,548</u>	<u>82,766,536</u>	<u>81,774,858</u>	<u>78,903,967</u>	<u>74,192,943</u>
Total revenues	<u>\$ 126,398,397</u>	<u>\$ 132,411,566</u>	<u>\$ 144,622,759</u>	<u>\$ 149,060,454</u>	<u>\$ 147,511,570</u>

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Federal sources:					
Federal grants	\$ 13,257,814	\$ 9,648,603	\$ 10,204,548	\$ 10,017,792	\$ 8,969,323
National School Lunch Program	2,829,533	2,573,076	2,551,511	2,425,042	2,306,794
Total federal sources	<u>16,087,347</u>	<u>12,221,679</u>	<u>12,756,059</u>	<u>12,442,834</u>	<u>11,276,117</u>
State sources:					
State equalization assistance	51,289,949	49,126,675	42,788,524	41,357,724	43,528,492
State grants	1,657,562	1,148,621	991,754	1,021,374	705,016
School Facilities Board	1,090,449	2,632,450	1,818,858	1,788,941	2,305,480
Other revenues	8,490,918	7,677,145	7,638,461	6,758,426	4,435,952
Total state sources	<u>62,528,878</u>	<u>60,584,891</u>	<u>53,237,597</u>	<u>50,926,465</u>	<u>50,974,940</u>
Local sources:					
Property taxes	65,733,080	64,741,328	61,701,293	56,223,790	55,835,003
County aid		29,637	2,496,863	2,283,845	2,305,147
Food service sales	1,739,145	1,831,650	1,854,556	1,797,120	1,851,824
Investment income	1,454,121	1,949,982	1,286,713	640,476	309,586
Other revenues	7,927,909	6,542,698	5,470,933	4,919,243	4,294,509
Total local sources	<u>76,854,255</u>	<u>75,095,295</u>	<u>72,810,358</u>	<u>65,864,474</u>	<u>64,596,069</u>
Total revenues	<u>\$ 155,470,480</u>	<u>\$ 147,901,865</u>	<u>\$ 138,804,014</u>	<u>\$ 129,233,773</u>	<u>\$ 126,847,126</u>

Source: The source of this information is the District's financial records.

Note: The Arizona State Legislature suspended county equalization payments to school districts for fiscal years 2006-07 through 2008-09.

(Concluded)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Expenditures:					
Current -					
Instruction	\$ 58,732,150	\$ 59,994,072	\$ 63,230,105	\$ 69,825,792	\$ 72,716,370
Support services - students and staff	14,289,983	14,318,905	14,305,106	15,464,330	16,792,096
Support services - administration	8,632,313	8,902,139	8,755,858	9,701,573	9,882,699
Operation and maintenance of plant services	15,697,850	15,802,906	15,875,802	15,563,830	15,253,440
Student transportation services	5,580,341	5,412,865	5,253,489	5,872,495	6,012,897
Operation of non-instructional services	5,910,068	5,042,098	4,842,341	5,362,675	7,754,331
Capital outlay	26,943,964	26,846,224	26,655,180	11,890,902	18,639,061
Debt service -					
Interest and fiscal charges	3,583,138	3,903,188	2,783,808	3,248,150	3,073,519
Principal retirement	7,900,000	12,600,000	14,235,000	15,835,000	15,663,823
Bond issuance costs			531,500	455,880	
Total expenditures	<u><u>\$ 147,269,807</u></u>	<u><u>\$ 152,822,397</u></u>	<u><u>\$ 156,468,189</u></u>	<u><u>\$ 153,220,627</u></u>	<u><u>\$ 165,788,236</u></u>
Expenditures for capitalized assets	\$ 22,187,250	\$ 24,828,964	\$ 23,299,817	\$ 10,694,484	\$ 15,681,938
Debt service as a percentage of noncapital expenditures	9%	13%	13%	13%	12%

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Expenditures:					
Current -					
Instruction	\$ 70,023,457	\$ 63,771,580	\$ 61,214,375	\$ 56,744,876	\$ 52,491,082
Support services - students and staff	16,564,738	15,023,004	14,594,928	11,032,553	9,719,445
Support services - administration	9,979,441	9,434,901	9,331,088	10,019,245	9,489,029
Operation and maintenance of plant services	15,860,446	16,154,966	14,354,519	13,767,243	13,194,828
Student transportation services	6,426,861	5,985,694	5,440,136	4,943,283	4,483,919
Operation of non-instructional services	7,659,606	7,132,064	6,433,349	6,216,934	5,904,487
Capital outlay	8,860,971	8,437,101	6,439,663	6,212,409	7,793,817
Debt service -					
Interest and fiscal charges	2,684,177	3,244,414	3,896,216	4,832,424	5,438,372
Principal retirement	14,976,438	14,328,707	14,042,376	15,727,032	14,075,358
Bond issuance costs	266,737			112,272	
Total expenditures	<u><u>\$ 153,302,872</u></u>	<u><u>\$ 143,512,431</u></u>	<u><u>\$ 135,746,650</u></u>	<u><u>\$ 129,608,271</u></u>	<u><u>\$ 122,590,337</u></u>
Expenditures for capitalized assets	\$ 4,626,538	\$ 5,120,408	\$ 3,010,856	\$ 1,937,193	\$ 4,159,494
Debt service as a percentage of noncapital expenditures	12%	13%	14%	16%	16%

Source: The source of this information is the District's financial records.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Excess (deficiency) of revenues over expenditures	\$ (20,871,410)	\$ (20,410,831)	\$ (11,845,430)	\$ (4,160,173)	\$ (18,276,666)
Other financing sources (uses):					
Issuance of school improvement bonds			50,000,000	29,000,000	
Premium on sale of bonds			2,474,748	575,574	
Transfers in	5,084,066	20,361,008	13,028,901	612,245	2,215,442
Transfers out	<u>(5,084,066)</u>	<u>(20,361,008)</u>	<u>(13,028,901)</u>	<u>(612,245)</u>	<u>(2,215,442)</u>
Total other financing sources (uses)			<u>52,474,748</u>	<u>29,575,574</u>	
Changes in fund balances	<u>\$ (20,871,410)</u>	<u>\$ (20,410,831)</u>	<u>\$ 40,629,318</u>	<u>\$ 25,415,401</u>	<u>\$ (18,276,666)</u>
	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Excess (deficiency) of revenues over expenditures	\$ 2,167,608	\$ 4,389,434	\$ 3,057,364	\$ (374,498)	\$ 4,256,789
Other financing sources (uses):					
Issuance of school improvement bonds	20,000,000				
Refunding bonds issued				8,480,000	
Premium on sale of bonds	335,902			472,061	
Capital lease agreements		298,328		424,510	209,819
Transfers in	320,238	249,627	243,049	80,460	58,104
Transfers out	<u>(320,238)</u>	<u>(249,627)</u>	<u>(243,049)</u>	<u>(80,460)</u>	<u>(58,104)</u>
Payment to refunded bond escrow agent				<u>(8,839,789)</u>	
Total other financing sources (uses)	<u>20,335,902</u>	<u>298,328</u>		<u>536,782</u>	<u>209,819</u>
Changes in fund balances	<u>\$ 22,503,510</u>	<u>\$ 4,687,762</u>	<u>\$ 3,057,364</u>	<u>\$ 162,284</u>	<u>\$ 4,466,608</u>

Source: The source of this information is the District's financial records.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Real Property		Personal Property	Less: Tax Exempt Real Property	Total Taxable Assessed Valuation	Total Direct Rate	Estimated Actual Value	Ratio of Net Assessed to Estimated Actual Value	
	Residential Property	Commercial Property							
2013	\$ 963,320,178	\$ 568,117,363	\$ 75,875,625	\$ 124,634,837	\$ 1,482,678,329	5.55	\$ 13,069,027,065	11.34	%
2012	1,008,806,849	593,220,023	75,092,058	115,174,997	1,561,943,933	5.41	13,662,130,620	11.43	
2011	1,100,029,848	619,587,380	84,058,956	102,386,958	1,701,289,226	5.05	14,625,645,650	11.63	
2010	1,135,545,354	609,447,715	83,917,442	71,423,577	1,757,486,934	4.61	14,840,194,999	11.84	
2009					1,715,492,653	4.86	14,595,044,020	11.75	
2008					1,493,442,320	5.50	12,335,987,666	12.11	
2007					1,254,374,751	6.12	10,242,492,023	12.25	
2006					1,121,601,813	6.42	9,105,191,111	12.32	
2005					1,038,222,730	6.34	8,374,935,651	12.40	
2004					963,024,651	6.76	7,669,093,952	12.56	

Source: The source of this information is the State and County Abstract of the Assessment Roll, Arizona Department of Revenue.

Note: Total taxable assessed valuation is displayed by major component beginning with fiscal year ended June 30, 2010.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Commercial, Industrial, Utilities and Mining	\$ 435,323,801	\$ 456,798,101	\$ 486,231,035	\$ 494,145,983	\$ 437,431,041
Agricultural and Vacant	89,249,772	101,218,120	119,794,462	129,977,152	133,486,922
Residential (Owner Occupied)	757,863,552	819,226,568	900,767,355	937,324,541	959,231,036
Residential (Rental)	200,241,204	184,691,585	194,496,374	196,039,258	185,343,654
Railroad, Private Cars and Airlines					
Historical Property					
Certain Government Property Improvements		9,559			
Total	<u>\$ 1,482,678,329</u>	<u>\$ 1,561,943,933</u>	<u>\$ 1,701,289,226</u>	<u>\$ 1,757,486,934</u>	<u>\$ 1,715,492,653</u>

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Commercial, Industrial, Utilities and Mining	\$ 423,200,533	\$ 379,062,460	\$ 345,904,932	\$ 328,191,786	\$ 321,481,127
Agricultural and Vacant	121,705,307	91,753,823	78,118,049	76,793,872	72,282,328
Residential (Owner Occupied)	794,089,588	653,346,653	584,081,808	529,723,443	474,609,772
Residential (Rental)	154,446,892	130,211,815	113,496,881	103,513,629	94,651,424
Railroad, Private Cars and Airlines					
Historical Property			143		
Certain Government Property Improvements					
Total	<u>\$ 1,493,442,320</u>	<u>\$ 1,254,374,751</u>	<u>\$ 1,121,601,813</u>	<u>\$ 1,038,222,730</u>	<u>\$ 963,024,651</u>

Source: The source of this information is the State and County Abstract of the Assessment Roll, Arizona Department of Revenue.

AMPHITHEATHER UNIFIED SCHOOL DISTRICT NO. 10
PROPERTY TAX ASSESSMENT RATIOS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Commercial, Industrial, Utilities and Mining	20 %	20 %	21 %	22 %	23 %
Agricultural and Vacant	16	16	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	15	15	17	18	20

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Commercial, Industrial, Utilities and Mining	24 %	25 %	25 %	25 %	25 %
Agricultural and Vacant	16	16	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	21	22	21	21	20

Source: The source of this information is the State and County Abstract of the Assessment Roll, Arizona Department of Revenue.

Note: Additional classes of property exist, but do not amount to a significant portion of the District's total valuation, therefore they are not included on this schedule.

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Overlapping Rates								District Direct Rates		
	State		County	Flood	Community	Fire	Central	City			
	Equalization	County	Free	Control	College	District	Arizona	of	Primary	Secondary	Total
			Library	District	District	Assistance	Water	Tucson			
2013	0.47	4.20	0.35	0.26	1.17	0.04	0.10	1.26	4.08	1.47	5.55
2012	0.43	4.20	0.35	0.26	1.11	0.04	0.10	1.16	3.96	1.45	5.41
2011	0.36	4.06	0.31	0.26	1.08	0.04	0.10	0.96	3.65	1.40	5.05
2010	0.33	4.02	0.26	0.26	1.08	0.04	0.10	0.93	3.15	1.46	4.61
2009	0.00	4.01	0.34	0.29	1.14	0.04	0.10	0.96	3.36	1.50	4.86
2008	0.00	4.29	0.40	0.34	1.18	0.04	0.10	1.13	3.80	1.70	5.50
2007	0.00	4.56	0.37	0.37	1.25	0.04	0.12	1.23	4.12	2.00	6.12
2006	0.00	4.79	0.26	0.35	1.31	0.04	0.12	1.24	4.22	2.20	6.42
2005	0.00	4.89	0.21	0.35	1.34	0.04	0.12	1.18	4.51	1.83	6.34
2004	0.00	4.07	0.21	0.35	1.49	0.04	0.12	1.16	4.76	2.00	6.76

Source: The source of this information is the Property Tax Rates and Assessed Values, Arizona Tax Research Foundation.

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

Taxpayer	2013		2004	
	Secondary Assessed Valuation	Percentage of District's Net Assessed Valuation	Secondary Assessed Valuation	Percentage of District's Net Assessed Valuation
DND Neffson Company	\$ 17,998,093	1.21 %	\$ 20,319,819	2.11 %
Northwest Hospital LLC	17,718,242	1.20		
Unisource Energy Corporation	15,877,296	1.07	10,593,271	1.10
Oro Valley Hospital LLC	11,078,539	0.75		
Vestar OVM LLC	9,404,395	0.63		
Weingarten Nostat Inc	8,940,897	0.60		
CHH Tucson Partnership LP	7,585,926	0.51		
J Foothills LLC	7,491,249	0.51	7,993,105	0.83
Qwest Communications Corporation	6,961,650	0.47	10,689,574	1.11
Ventana Medical Systems	5,464,550	0.37		
El Conquistador Hotel Associates			15,023,185	1.56
Southwest Gas Corporation			7,993,105	0.83
HDP Northwest LLC			5,778,148	0.60
Tucson Place Partners, LLC			4,815,123	0.50
Wal-Mart			3,852,099	0.40
Sierra Health Styles, Inc.			3,177,981	0.33
Total	<u>\$ 108,520,837</u>	<u>7.32 %</u>	<u>\$ 90,235,410</u>	<u>9.37 %</u>

Source: The source of this information is the Pima County Assessor's records.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Fiscal Years	Collected to the End of the Current Fiscal Year	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$ 67,999,506	\$ 65,978,452	97.03 %	\$	\$ 65,978,452	97.03 %
2012	69,287,808	67,137,625	96.90	2,082,392	69,220,017	99.90
2011	68,432,918	65,856,223	96.23	2,378,558	68,234,781	99.71
2010	63,313,995	60,815,693	96.05	2,478,165	63,293,858	99.97
2009	63,092,120	60,793,899	96.36	2,291,044	63,084,943	99.99
2008	63,390,268	61,397,635	96.86	1,982,848	63,380,483	99.98
2007	61,783,384	60,083,722	97.25	1,690,534	61,774,256	99.99
2006	59,394,470	57,751,232	97.23	1,637,684	59,388,916	99.99
2005	53,766,375	52,372,140	97.41	1,389,063	53,761,203	99.99
2004	53,939,644	52,209,073	96.79	1,725,214	53,934,287	99.99

Source: The source of this information is the 2013 Pima County Treasurer's records.

Notes: 1) Amounts collected are on a cash basis.

- 2) Unsecured personal property taxes are not included in this schedule because the dates of the monthly rolls vary each year. On the average, 90% of unsecured property taxes are collected within 90 days after the due date.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	General Obligation Bonds						Total Outstanding Debt				
	General Obligation Bonds	Less: Amounts Restricted for Principal	Total	Percentage of Estimated Actual Value	Per Capita	Capital Leases	Total	Percentage of Estimated Actual Value	Per Capita	Percentage of Personal Income	
2013	\$ 83,035,000	\$	\$ 83,035,000	0.64 %	\$ 604	\$	\$ 83,035,000	0.64 %	\$ 604	N/A %	
2012	95,635,000		95,635,000	0.70	859		95,635,000	0.70	859	0.27	
2011	109,870,000		109,870,000	0.75	971		109,870,000	0.75	971	0.32	
2010	75,705,000		75,705,000	0.51	657		75,705,000	0.51	657	0.22	
2009	61,990,000		61,990,000	0.42	445		61,990,000	0.42	445	0.19	
2008	76,740,000		76,740,000	0.62	555	378,823	77,118,823	0.63	558	0.24	
2007	70,860,000		70,860,000	0.69	525	605,261	71,465,261	0.70	530	0.24	
2006	84,565,000		84,565,000	0.93	650	515,640	85,080,640	0.93	654	0.32	
2005	99,975,000		99,975,000	1.19	811	853,016	100,828,016	1.20	818	0.41	
2004	113,660,000		113,660,000	1.48	939	745,538	114,405,538	1.49	945	0.50	

Source: The source of this information is the District's financial records.

Note: N/A indicates that the information is not available.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2013

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to School District</u>	<u>Estimated Amount Applicable to School District</u>
Overlapping:			
Pima County	\$ 1,172,359,145	18.29 %	\$ 214,424,488
Community College District	3,280,000	18.29	599,912
Golder Ranch Fire District	11,000,000	100.00	11,000,000
Northwest Fire District	31,590,000	29.17	9,214,803
City of Tucson	1,096,821,221	8.19	89,829,658
Subtotal, Overlapping Debt			<u>325,068,861</u>
Direct:			
Amphitheater Unified School District No. 10			<u>83,035,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 408,103,861</u></u>

Source: The source of this information is the District's records and the State and County Abstract of the Assessment Roll, Arizona Department of Revenue and the applicable governmental unit.

- Notes:** 1) Estimated percentage of debt outstanding applicable to the District is calculated based on the District's secondary assessed valuation as a percentage of the secondary assessed valuation of the overlapping jurisdiction.
- 2) Outstanding debt as of June 30, 2012 is presented for the overlapping governments as this is the most recent available information.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Class B Bond Legal Debt Margin Calculation for Fiscal Year 2013:

Secondary assessed valuation	\$ 1,482,678,329
Debt limit (10% of assessed value)	148,267,833
Debt applicable to limit	<u>83,035,000</u>
Legal debt margin	<u><u>\$ 65,232,833</u></u>

Total Legal Debt Margin Calculation for Fiscal Year 2013:

Secondary assessed valuation	\$ 1,482,678,329
Debt limit (30% of assessed value)	444,803,499
Debt applicable to limit	<u>83,035,000</u>
Legal debt margin	<u><u>\$ 361,768,499</u></u>

Fiscal Year Ended June 30

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Debt Limit	\$ 444,803,499	\$468,583,180	\$510,386,768	\$ 527,246,080	\$ 514,647,796
Total net debt applicable to limit	<u>83,035,000</u>	<u>95,635,000</u>	<u>109,870,000</u>	<u>75,705,000</u>	<u>61,990,000</u>
Legal debt margin	<u><u>\$ 361,768,499</u></u>	<u><u>\$372,948,180</u></u>	<u><u>\$400,516,768</u></u>	<u><u>\$ 451,541,080</u></u>	<u><u>\$ 452,657,796</u></u>
Total net debt applicable to the limit as a percentage of debt limit	19%	20%	22%	14%	12%

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Debt Limit	\$ 448,032,696	\$376,312,425	\$336,480,544	\$ 311,466,819	\$ 288,907,395
Total net debt applicable to limit	<u>76,740,000</u>	<u>70,860,000</u>	<u>84,565,000</u>	<u>99,975,000</u>	<u>113,660,000</u>
Legal debt margin	<u><u>\$ 371,292,696</u></u>	<u><u>\$305,452,425</u></u>	<u><u>\$251,915,544</u></u>	<u><u>\$ 211,491,819</u></u>	<u><u>\$ 175,247,395</u></u>
Total net debt applicable to the limit as a percentage of debt limit	17%	19%	25%	32%	39%

Source: The source of this information is the District's financial records.

Notes: 1) The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds and the statutory debt limit on Class B bonds. The calculations of the debt margins are presented in detail for the current fiscal year only.

2) Bond premium is not subject to the statutory debt limit.

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS**

Year	Population	Personal Income (thousands)	Per Capita Income	Unemployment Rate	Estimated District Population
2012	990,380	\$ N/A	\$ N/A	7.3 %	137,500
2011	986,081	34,931,620	35,371	8.4	111,283
2010	980,263	34,360,759	34,987	9.0	113,176
2009	1,018,012	34,516,424	33,833	8.3	115,220
2008	1,012,018	32,900,000	32,321	5.1	139,280
2007	1,003,235	31,646,777	31,755	3.7	138,268
2006	981,280	29,806,619	31,418	4.0	134,953
2005	957,635	26,703,829	28,869	4.4	130,124
2004	906,540	24,697,472	27,244	4.6	123,289
2003	890,456	22,953,195	25,777	5.2	121,102

Sources: The source of the "Personal Income" and "Per Capita" information is the Bureau of Economic Analysis. The source of the "Population" and "Unemployment Rate" information from 2003 through 2010 is the University of Arizona, Eller College of Management, Economic and Business Research Center. For 2011 and 2012, the source of the information is the Arizona Office of Employment and Population Statistics.

Note: N/A indicates that the information is not available.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR

Employer	2013			2004		
	Employees	Percentage of Total Employment		Employees	Percentage of Total Employment	
Northwest Hospital	1,757	2.69	%	1,184	2.44	%
Ventana Medical Systems	1,150	1.76		350	0.72	
Honeywell International Inc.	650	0.99				
Oro Valley Hospital	508	0.78				
El Conquistador	413	0.63		460	0.95	
Miraval	350	0.54		400	0.82	
Sierra Tucson	350	0.54		157	0.32	
Town of Oro Valley	343	0.52		300	0.62	
Tucson National Resort	221	0.34		300	0.62	
Westward Look	200	0.31		245	0.50	
Tucson Heart Hospital				261	0.54	
Carondelet Health Network				131	0.27	
Total	5,942	9.10	%	3,788	7.80	%
Total employment	65,414			48,525		

Source: The 2013 information is from the Star 200 and the U.S Census Bureau 2013 and the 2004 information is from Tucson.com and the U.S Census Bureau 2002

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS

Full-time Equivalent Employees as of June 30					
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Supervisory					
Consultants/supervisors of instruction	9	11	11	11	11
Principals	16	17	18	19	19
Assistant principals	13	16	14	13	18
Total supervisory	<u>38</u>	<u>44</u>	<u>43</u>	<u>43</u>	<u>48</u>
Instruction					
Teachers	789	812	872	922	1,115
Aides	160	147	153	152	152
Total instruction	<u>949</u>	<u>959</u>	<u>1,025</u>	<u>1,074</u>	<u>1,267</u>
Student Services					
Guidance Counselors	18	20	20	21	21
Librarians	23	24	25	26	25
Psychologists	13	12	13	14	17
Technicians	26	21	17	15	18
Therapists	8	7	7	7	13
Other	97	91	84	88	72
Total student services	<u>185</u>	<u>175</u>	<u>166</u>	<u>171</u>	<u>166</u>
Support and Administration					
Transportation	136	136	135	139	133
Food Service	95	93	99	110	101
Custodial/Maintenance	192	184	187	187	181
Security Services	62	60	53	61	64
Other Administrative Support	183	186	186	222	236
Total support and administration	<u>668</u>	<u>659</u>	<u>660</u>	<u>719</u>	<u>715</u>
Total	<u><u>1,840</u></u>	<u><u>1,837</u></u>	<u><u>1,894</u></u>	<u><u>2,007</u></u>	<u><u>2,196</u></u>

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Supervisory					
Consultants/supervisors of instruction	11	11	11	11	11
Principals	19	19	19	19	19
Assistant principals	18	18	18	18	18
Total supervisory	<u>48</u>	<u>48</u>	<u>48</u>	<u>48</u>	<u>48</u>
Instruction					
Teachers	1,010	1,008	1,016	1,002	993
Aides	159	146	148	71	69
Total instruction	<u>1,169</u>	<u>1,154</u>	<u>1,164</u>	<u>1,073</u>	<u>1,062</u>
Student Services					
Guidance Counselors	21	21	21	21	21
Librarians	25	27	27	27	27
Psychologists	17	15	13	13	13
Technicians	18	20	36	33	34
Therapists	18	17	21	11	16
Other	75	73	71	52	49
Total student services	<u>174</u>	<u>173</u>	<u>189</u>	<u>157</u>	<u>160</u>
Support and Administration					
Transportation	133	137	140	138	113
Food Service	101	106	107	107	107
Custodial/Maintenance	181	174	175	175	175
Security Services	64	61	61	62	60
Other Administrative Support	235	234	240	233	229
Total support and administration	<u>714</u>	<u>712</u>	<u>723</u>	<u>715</u>	<u>684</u>
Total	<u>2,105</u>	<u>2,087</u>	<u>2,124</u>	<u>1,993</u>	<u>1,954</u>

Source: The source of this information is District personnel records.

(Concluded)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Average Daily Membership	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil- Teacher Ratio	Percentage of Free/Reduced Students
2013	13,820	\$ 108,842,705	\$ 7,876	0.42 %	\$ 124,738,952	\$ 9,026	1.42 %	949	14.6	47.2 %
2012	13,959	109,472,985	7,842	(0.54)	124,225,616	8,899	1.14	959	14.6	48.0
2011	14,238	112,262,701	7,885	(2.10)	125,277,202	8,799	(0.25)	1,025	13.9	46.1
2010	15,122	121,790,695	8,054	(5.33)	133,383,552	8,820	(5.25)	1,074	14.1	42.9
2009	15,094	128,411,833	8,507	5.51	140,511,601	9,309	4.96	1,267	11.9	41.5
2008	15,690	126,514,549	8,063	13.00	139,156,172	8,869	12.68	1,169	13.4	39.6
2007	16,466	117,502,209	7,136	6.73	129,604,171	7,871	4.73	1,154	14.3	39.3
2006	16,656	111,368,395	6,686	8.90	125,180,800	7,516	6.04	1,164	14.3	38.4
2005	16,731	102,724,134	6,140	4.15	118,578,120	7,087	3.27	1,073	15.6	37.4
2004	16,163	95,282,790	5,895	3.39	110,928,087	6,863	6.58	1,062	15.2	37.5

Source: The source of this information is the District's financial records.

Notes: Operating expenditures are total expenditures less debt service and capital outlay.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
CAPITAL ASSETS INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30									
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<u>Schools</u>										
<u>Elementary</u>										
Buildings	104	124	124	121	120	120	118	118	118	113
Square feet	774,099	751,227	751,227	737,906	736,226	736,226	732,466	732,466	732,466	720,751
Capacity	7,860	8,209	8,209	8,209	8,160	8,160	8,160	8,070	8,070	8,070
Enrollment	5,098	5,161	5,356	5,615	5,756	5,861	5,829	6,385	6,399	6,524
<u>Middle</u>										
Buildings	43	46	48	50	47	47	47	47	48	48
Square feet	355,359	354,817	348,328	349,528	345,520	345,520	345,520	345,520	349,288	349,288
Capacity	3,110	3,030	3,030	3,030	2,990	2,990	2,990	2,990	2,990	2,990
Enrollment	1,927	2,020	2,075	2,114	2,207	2,278	2,364	2,488	2,556	2,568
<u>High</u>										
Buildings	21	20	22	22	22	22	22	22	22	22
Square feet	359,923	345,098	332,209	325,167	325,167	325,167	325,167	325,167	325,167	325,167
Capacity	3,010	2,950	2,950	2,950	2,950	2,950	2,950	2,950	2,950	2,950
Enrollment	2,082	2,047	2,064	2,278	2,368	2,446	2,495	2,589	2,561	2,524
<u>Other</u>										
Buildings	81	77	85	74	74	74	74	74	74	74
Square feet	880,622	900,788	996,758	997,121	997,121	997,121	997,121	997,121	1,000,163	1,000,163
Capacity	6,920	6,950	6,950	6,950	6,950	6,950	6,950	6,950	6,950	6,950
Enrollment	4,726	4,730	4,744	5,116	4,800	5,120	5,162	5,224	5,173	5,140
<u>Administrative</u>										
Buildings	10	10	10	10	10	10	10	10	10	10
Square feet	43,281	43,281	43,281	43,281	13,281	13,281	13,281	13,281	13,281	13,281
<u>Transportation</u>										
Garages	1	1	1	1	1	1	1	1	1	1
Buses	125	125	146	132	138	139	136	136	146	146
<u>Athletics</u>										
Football fields	8	8	8	8	8	8	8	8	8	8
Soccer fields	29	29	29	31	31	31	31	31	31	31
Running tracks	8	8	8	8	8	8	8	8	8	8
Baseball/softball	19	19	19	19	19	19	19	19	19	19
Swimming pools	1	1	1	1	1	1	1	1	1	1
Playgrounds	14	14	14	14	14	14	14	14	14	14

Source: The source of this information is the District's facilities records and the Arizona Department of Education 45-1 report.

(This page intentionally left blank)