
CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2015



CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93

CAVE CREEK, ARIZONA

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Issued by:
Operations and Finance Department

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93

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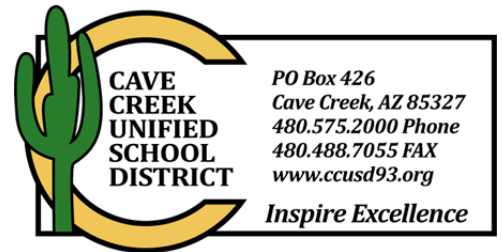
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INTRODUCTORY SECTION

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November 20, 2015

Citizens and Governing Board
Cave Creek Unified School District No. 93
33016 North 60th Street
Scottsdale, Arizona 85266

State law mandates that school districts required to undergo an annual single audit 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 Cave Creek Unified School District No. 93 (District) for the fiscal year ended June 30, 2015.

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, 2015, 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, 2015, 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 58 public school districts located in Maricopa County, Arizona. It provides a program of public education from kindergarten through grade twelve, with an estimated current enrollment of 5,367 students.

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, athletic functions, and community education functions. In addition, the District sponsors Desert Sun Academy, Desert Willow Elementary, Horseshoe Trails Elementary, and Lone Mountain Elementary Charter schools, which are not legally separate of the Cave Creek Unified School District and therefore, they are included as part of the financial reporting entity.

The District, originally formed on July 1, 1984, by the unification of the Cave Creek Elementary School District No. 93 and the Cave Creek High School District No. 220, encompasses approximately 175 square miles and is situated in the northeastern portion of the County, northeast of the greater Phoenix metropolitan area. The towns of Carefree and Cave Creek are located within the District. The northern portion of the City of Scottsdale and a small portion of the City of Phoenix overlap the District.

The area served by the District has experienced significant development over the past 20 years and is composed primarily of residential homes. The economy of the District is enhanced by a large tourism sector that is fueled primarily by a number of world-renowned golf resorts operating within the District's boundaries.

The majority of the commercial development in the area has been associated with residential development including services and retail shopping centers.

Although overall assessed valuation has decreased due to economic factors, housing growth is helping to maintain fairly stable tax rates. The District recognizes the importance of not only stable, but reasonable tax rates. From 1998-99 through 2014-15 the combined tax rate in the District has decreased 66%. The District's projections indicate the reductions in the tax rate will not jeopardize the stability of future tax rates.

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 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 overexpenditures 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. Through the late 1990's and early 2000's the Phoenix metropolitan area and the rest of Maricopa County was one of the fastest growing regional markets in the United States. While the area was affected by the economic downturn, the combination of warm climate, a substantial well-educated labor pool, a wide range of support industries, and a governmental climate that is supportive of economic growth and investment will carry the area through to positive economic times.

A few of the major firms represented in the Phoenix metropolitan area include Wal-Mart Stores, Inc., Banner Health Systems, Wells Fargo Company and Bank of America. In addition, the metropolitan area provides excellent educational and training opportunities through seven community colleges, four private colleges and graduate schools, and one state university.

Maricopa County is located in the south-central portion of Arizona and encompasses an area of approximately 9,226 square miles. Its boundaries encompass the cities of Phoenix, Scottsdale, Mesa, Tempe, Glendale, Chandler, and such towns as Gilbert, Paradise Valley and Fountain Hills. Maricopa County is currently the nation's fourth largest county in terms of population size and the 14th in land area. The County's 2014 population was estimated at 4,008,651 and is expected to reach over 5 million by 2030.

Service is the largest employment sector in the County, partly fueled by the tourism industry. The County has excellent accommodations, diverse cultural and recreational activities, and a favorable climate attracting millions to the area annually. Wholesale and retail trade is the second largest employment category.

Manufacturing consisting primarily of high technology companies is the third largest employer. Other factors that contribute to future economic growth include major expansions of the international airport serving the area, a favorable business climate and the presence of a well-developed and expanding transportation infrastructure.

Long-term Financial Planning. The Cave Creek Unified School District, until 2009, experienced steady growth. The secondary assessed value has grown approximately 43% in the past 10 years. The growth in secondary assessed value provided the ability for the District to have shorter than average maturities for bonds sold from voter authorized bond issues. With shorter maturities the District has been able to reduce the long-term bond interest cost to taxpayers while still maintaining a reasonable tax rate. The District's goal is to be able to continue to provide funding needed to support future enrollment growth and still maintain a reasonable and stable tax rate.

Under Arizona's "Students FIRST" school capital finance system enacted in 1998, the State of Arizona is to provide funding for school district capital needs. "Students FIRST" minimizes bonding for school construction, requiring a state school facilities board to approve any new school construction.

The new school facilities program is administered by the School Facilities Board (SFB). The program determines land and new facilities needed due to growth or because facilities have outlived their useful life. Formulas produce the base amount for new facilities, but the SFB may authorize adjustments in certain circumstances.

The SFB has significantly impacted planning for new school construction in Arizona. The District's goal in the financial planning for new school construction has been to maximize what is available through the SFB and continue to meet District established construction time lines. The SFB provided \$6.4 million in funding for the construction of a new high school building in 2011-2012. The new 38,000 square foot addition to the high school was completed in 2012 to augment its capacity.

The District has adequate facilities for future growth as projected by its annual demographic report. Based on current economic conditions, the demographer is predicting minimal growth in student enrollment for the foreseeable future. Current facilities range in age from 3 years to 30 years.

In the summer of 2012, the Governing Board approved the conversion of four elementary schools to District-sponsored charter schools. In Arizona, charter schools receive additional funding beyond that which traditional schools receive. This additional funding will provide an amount approximately equal to the amount being lost due to the failure of the override election. In the short-run, there has been extra funding which the District is using to upgrade technology District-wide. In the longer term, it will help to maintain stabilized funding for the District.

The district has substantial capital needs regarding the renovation of aging facilities, systems, and student transportation vehicles due to reduced capital funding from the state level. In November of 2014, the taxpayers approved two ballot questions which will provide a total of \$40 million in funding for capital projects and student transportation vehicles. This should provide a source for capital needs for the next 3-5 years.

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, 2014. This was the eighteenth 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, 2014. 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 ended June 30, 2015 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 Operations and 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.

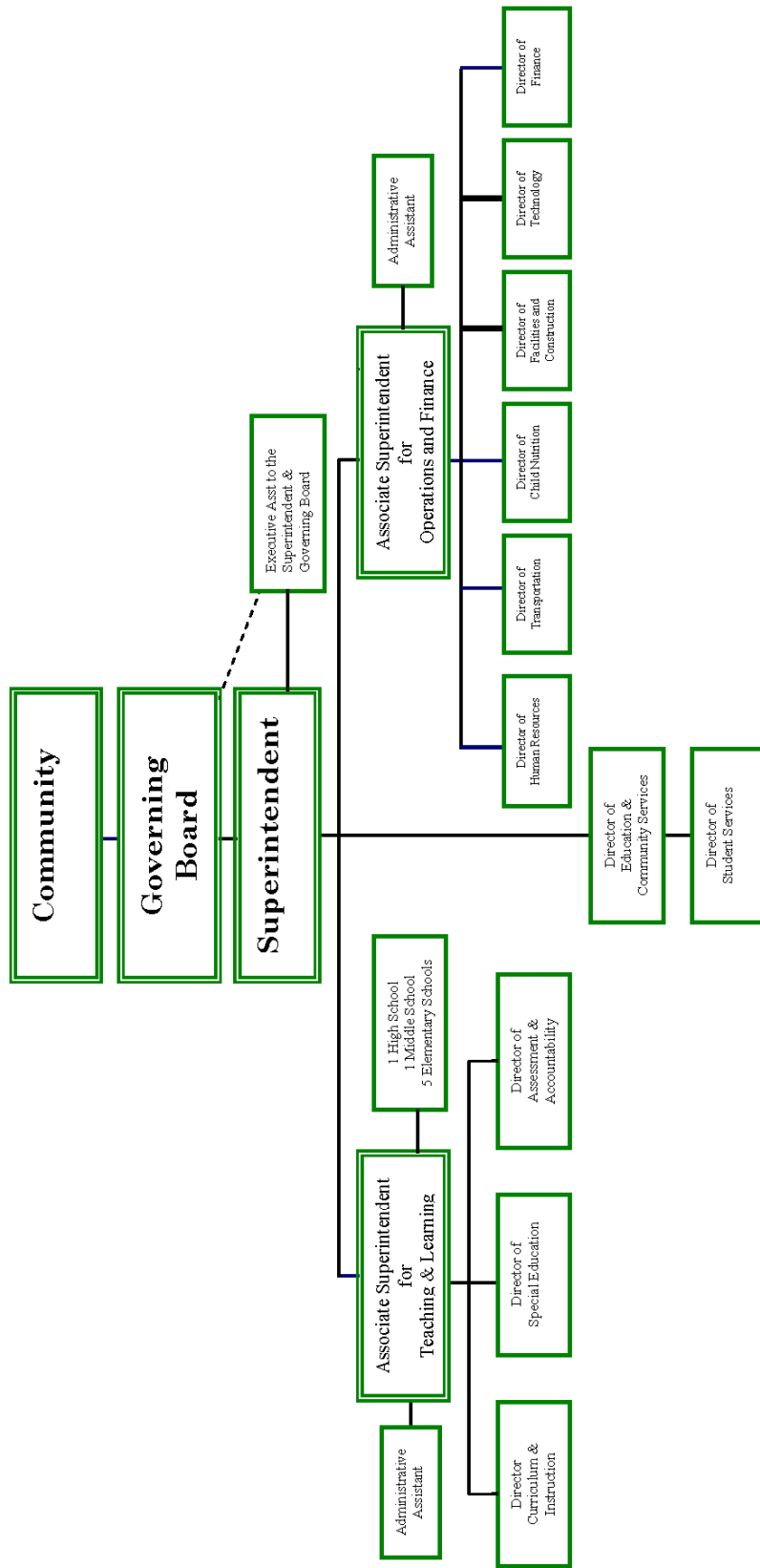
Respectfully submitted,



Debbi Burdick, Ed.D.
Superintendent



Kent Frison, Ph.D.
Associate Superintendent of
Operations and Finance



**Cave Creek Unified School District
Organization Chart
2014-2015**

Association of School Business Officials International



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

Cave Creek Unified School District No. 93

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2014*

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



A handwritten signature in black ink, appearing to read "M. Pepera", written over a horizontal line.

Mark C. Pepera, MBA, RSBO, SFO
President

A handwritten signature in black ink, appearing to read "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

**Cave Creek Unified School
District No. 93, Arizona**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93

LIST OF PRINCIPAL OFFICIALS

GOVERNING BOARD

Mark Warren, President

Karen Tuffs, Vice President

David Schaefer, Member

Janet Busbee, Member

Cynthia Weiss, Member

ADMINISTRATIVE STAFF

Debbie Burdick, Ed.D., Superintendent

Kent Frison, Ph.D., Associate Superintendent of Operations and Finance

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Governing Board
Cave Creek Unified School District No. 93

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 Cave Creek Unified School District No. 93 (District), as of and for the year ended June 30, 2015, 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Cave Creek Unified School District No. 93, as of June 30, 2015, and the respective changes in financial position thereof for the year then ended in accordance 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. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, for the year ended June 30, 2015, 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, budgetary comparison information, and net pension liability information, as listed in the table of contents, 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 Section and Statistical Section 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 November 20, 2015, on our consideration of Cave Creek Unified School District No. 93'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 Cave Creek Unified School District No. 93's internal control over financial reporting and compliance.

Heinfeld, Meech & Co., P.C.

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

November 20, 2015

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

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**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2015**

As management of the Cave Creek Unified School District No. 93 (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, 2015. The management's discussion and analysis is presented as required supplementary information to supplement the basic financial statements. 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 decreased \$1.0 million, which represents a two percent decrease from the prior fiscal year.
- General revenues accounted for \$37.3 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 \$8.1 million or 18 percent of total current fiscal year revenues.
- The District had approximately \$46.4 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 \$34.3 million in current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$31.7 million in expenditures. The General Fund's fund balance increased from \$1.3 million at the prior fiscal year end to \$5.7 million at the end of the current fiscal year that can be attributed primarily to the transfer in of \$2.3 million to reduce taxes and a \$2.7 million increase in property tax revenues due to an increase in the tax rate and assessed valuation.

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 comprise 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.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2015**

OVERVIEW OF FINANCIAL STATEMENTS

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 two categories: governmental 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.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2015**

OVERVIEW OF FINANCIAL STATEMENTS

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 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.

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.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows and exceeded liabilities and deferred inflows by \$63.4 million at the current fiscal year end.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2015**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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, however, it is in a deficit position as discussed below.

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2015 and June 30, 2014.

	As of June 30, 2015	As of June 30, 2014
Current and other assets	\$ 48,637,969	\$ 33,018,159
Capital assets, net	102,613,031	97,337,491
Total assets	<u>151,251,000</u>	<u>130,355,650</u>
Deferred outflows	<u>5,901,739</u>	
Current and other liabilities	5,373,448	2,283,838
Long-term liabilities	81,626,189	23,973,379
Total liabilities	<u>86,999,637</u>	<u>26,257,217</u>
Deferred inflows	<u>6,744,446</u>	
Net position:		
Net investment in capital assets	84,788,379	85,689,325
Restricted	5,812,548	12,257,340
Unrestricted	(27,192,271)	6,151,768
Total net position	<u>\$ 63,408,656</u>	<u>\$ 104,098,433</u>

At the end of the current fiscal year the District reported positive balances in two categories of net position. Unrestricted net position was negative due to the implementation of new pension reporting standards. The District reported positive balances in all of the net position categories in the prior fiscal year.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2015**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets. The following are significant current year transactions that had an impact on the Statement of Net Position.

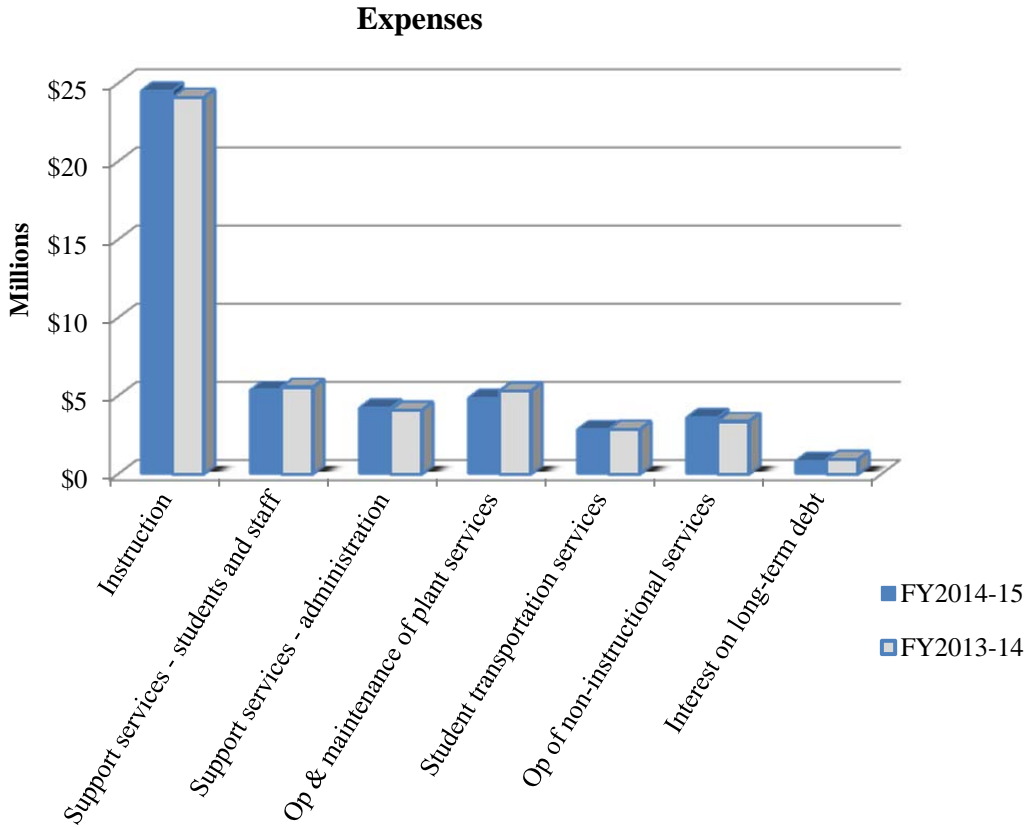
- The principal retirement of \$1.5 million of bonds.
- The addition of \$9.3 million in capital assets primarily due to various ongoing bond projects.
- The addition of \$38.6 million in pension liabilities due to the implementation of new pension reporting standards.

Changes in net position. The District's total revenues for the current fiscal year were \$45.4 million. The total cost of all programs and services was \$46.4 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2015 and June 30, 2014.

	Fiscal Year Ended June 30, 2015	Fiscal Year Ended June 30, 2014
Revenues:		
Program revenues:		
Charges for services	\$ 4,270,022	\$ 4,585,414
Operating grants and contributions	3,416,831	2,651,294
Capital grants and contributions	384,423	110,830
General revenues:		
Property taxes	27,853,617	30,010,916
Investment income	93,414	84,004
Unrestricted state aid	9,291,807	9,418,340
Unrestricted federal aid	70,303	76,156
Total revenues	45,380,417	46,936,954
Expenses:		
Instruction	24,539,091	24,083,445
Support services – students and staff	5,385,973	5,545,312
Support services – administration	4,253,191	4,075,563
Operation and maintenance of plant services	4,886,525	5,305,320
Student transportation services	2,872,223	2,847,787
Operation of non-instructional services	3,631,070	3,369,983
Interest on long-term debt	846,350	926,059
Total expenses	46,414,423	46,153,469
Special item – gain on sale of land		914,370
Changes in net position	(1,034,006)	1,697,855
Net position, beginning (as restated)	64,442,662	102,400,578
Net position, ending	\$ 63,408,656	\$ 104,098,433

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2015**

GOVERNMENT-WIDE FINANCIAL ANALYSIS



The following is a significant current year transaction that has had an impact on the change in net position.

- Property tax revenues decreased \$2.2 million primarily due to the decrease in the primary tax rate.

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.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2015**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

	Year Ended June 30, 2015		Year Ended June 30, 2014	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 24,539,091	\$ (21,214,377)	\$ 24,083,445	\$ (21,274,538)
Support services – students and staff	5,385,973	(4,578,934)	5,545,312	(4,854,094)
Support services – administration	4,253,191	(4,253,191)	4,075,563	(4,075,563)
Operation and maintenance of plant services	4,886,525	(4,705,237)	5,305,320	(4,989,333)
Student transportation services	2,872,223	(2,865,516)	2,847,787	(2,842,067)
Operation of non-instructional services	3,631,070	(87,841)	3,369,983	(59,973)
Interest on long-term debt	846,350	(638,051)	926,059	(710,363)
Total	\$ 46,414,423	\$ (38,343,147)	\$ 46,153,469	\$ (38,805,931)

- The cost of all governmental activities this year was \$46.4 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$8.1 million.
- Net cost of governmental activities of \$38.3 million was financed by general revenues, which are made up of primarily property taxes of \$27.9 million and state aid of \$9.3 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 \$35.0 million, an increase of \$12.5 million, primarily due to the issuance of school improvement bonds.

The General Fund comprises 16 percent of the total fund balance. \$4.9 million or 87 percent of the General Fund's fund balance is unassigned.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2015**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The General Fund is the principal operating fund of the District. Fund balance increased \$4.4 million to \$5.7 million at the end of the current fiscal year primarily due to the transfer in of \$2.3 million to reduce taxes and an increase in property tax revenue due to an increase in the tax rate and assessed valuation.

Fund balance of the Debt Service Fund increased \$649,113 which was related to the transfer of bond premium to the Debt Service Fund.

Fund balance of the Bond Building Fund increased \$13.4 million which was primarily due to the issuance of \$20.0 million of school improvement bonds.

BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the General Fund annual expenditure budget for changes in student growth estimates. The difference between the original budget and the final amended budget was a \$207,973 increase, or less than one percent.

Significant variances for the final amended budget and actual revenues resulted from the District not being required by the State of Arizona to prepare a revenue budget. A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund is provided in this report as required supplementary information. There were no significant expenditure variances.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At year end, the District had invested \$153.7 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 \$8.0 million from the prior fiscal year, primarily due to projects that were completed during the year. Total depreciation expense for the current fiscal year was \$3.9 million.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2015**

CAPITAL ASSETS AND DEBT ADMINISTRATION

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2015 and June 30, 2014.

	As of June 30, 2015	As of June 30, 2014
Capital assets – non-depreciable	\$ 23,078,624	\$ 20,619,574
Capital assets – depreciable, net	79,534,407	76,717,917
Total	\$ 102,613,031	\$ 97,337,491

The estimated costs to complete current construction projects is \$3.8 million.

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

Debt Administration. At year-end, the District had \$42.1 million in long-term debt outstanding, \$1.9 million due within one year. Long-term debt increased by \$19.1 million due to the issuance of school improvement bonds.

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 20 percent of the secondary assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$505.6 million and the Class B debt limit is \$168.5 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 8 through 10.

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 2015-16 budget. Among them:

- Fiscal year 2014-15 budget balance carry forward (estimated \$1,100,000).
- District student population (estimated 5,232).

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 \$126,358, or less than one percent, to \$31.6 million in fiscal year 2015-16. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2015-16 budget.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2015**

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 Operations and Finance Department, Cave Creek Unified School District No. 93, 33016 North 60th Street, Scottsdale, Arizona 85266.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
STATEMENT OF NET POSITION
JUNE 30, 2015

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 37,315,959
Property taxes receivable	6,841,693
Accounts receivable	135,738
Deposits	49,538
Due from governmental entities	3,533,733
Prepaid items	396,574
Inventory	364,734
Total current assets	48,637,969
Noncurrent assets:	
Capital assets not being depreciated	23,078,624
Capital assets, net of accumulated depreciation	79,534,407
Total noncurrent assets	102,613,031
Total assets	151,251,000
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred charge on refunding	628,656
Pension plan items	5,273,083
Total deferred outflows of resources	5,901,739
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	352,479
Construction contracts payable	4,186,309
Accrued payroll and employee benefits	589,505
Compensated absences payable	104,011
Accrued interest payable	185,098
Unearned revenues	60,057
Obligations under capital leases	469,010
Bonds payable	1,465,000
Total current liabilities	7,411,469
Noncurrent liabilities:	
Non-current portion of long-term obligations	79,588,168
Total noncurrent liabilities	79,588,168
Total liabilities	86,999,637
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Pension plan items	6,744,446
<u>NET POSITION</u>	
Net investment in capital assets	84,788,379
Restricted for:	
Voter approved initiatives	889,708
Federal and state projects	414,683
Food service	556,506
Civic center	509,091
Extracurricular activities	679,368
Other local initiatives	1,027,469
Debt service	844,664
Capital outlay	891,059
Unrestricted	(27,192,271)
Total net position	\$ 63,408,656

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

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2015

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
Governmental activities:					
Instruction	\$ 24,539,091	\$ 1,001,878	\$ 1,938,413	\$ 384,423	\$ (21,214,377)
Support services - students and staff	5,385,973		807,039		(4,578,934)
Support services - administration	4,253,191				(4,253,191)
Operation and maintenance of plant services	4,886,525	105,294	75,994		(4,705,237)
Student transportation services	2,872,223		6,707		(2,865,516)
Operation of non-instructional services	3,631,070	3,162,850	380,379		(87,841)
Interest on long-term debt	846,350		208,299		(638,051)
Total governmental activities	<u>\$ 46,414,423</u>	<u>\$ 4,270,022</u>	<u>\$ 3,416,831</u>	<u>\$ 384,423</u>	<u>(38,343,147)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes 26,009,058

Property taxes, levied for debt service 1,844,559

Investment income 93,414

Unrestricted state aid 9,291,807

Unrestricted federal aid 70,303

Total general revenues 37,309,141

Changes in net position (1,034,006)

Net position, beginning of year, as restated 64,442,662

Net position, end of year \$ 63,408,656

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

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FUND FINANCIAL STATEMENTS

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2015

	General	Debt Service	Bond Building
<u>ASSETS</u>			
Cash and investments	\$ 2,942,147	\$ 2,460,952	\$ 27,803,494
Property taxes receivable	6,807,883	33,810	
Accounts receivable			
Deposits			
Due from governmental entities	2,534,519		
Due from other funds			
Prepaid items	396,574		
Inventory	340,939		
Total assets	\$ 13,022,062	\$ 2,494,762	\$ 27,803,494
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 206,020	\$	\$
Construction contracts payable			4,186,309
Due to other funds			
Accrued payroll and employee benefits	470,049		
Unearned revenues			
Bonds payable		1,465,000	
Bond interest payable		185,098	
Total liabilities	676,069	1,650,098	4,186,309
Deferred inflows of resources:			
Unavailable revenues - property taxes	6,662,736	20,016	
Unavailable revenues - intergovernmental			
Total deferred inflows of resources	6,662,736	20,016	
Fund balances:			
Nonspendable	737,513		
Restricted		824,648	23,617,185
Unassigned	4,945,744		
Total fund balances	5,683,257	824,648	23,617,185
 Total liabilities, deferred inflows of resources and fund balances	 \$ 13,022,062	 \$ 2,494,762	 \$ 27,803,494

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 4,109,366	\$ 37,315,959
	6,841,693
135,738	135,738
49,538	49,538
999,214	3,533,733
615,880	615,880
	396,574
23,795	364,734
<u>\$ 5,933,531</u>	<u>\$ 49,253,849</u>

\$ 146,459	\$ 352,479
	4,186,309
615,880	615,880
119,456	589,505
60,057	60,057
	1,465,000
	185,098
<u>941,852</u>	<u>7,454,328</u>

	6,682,752
70,304	70,304
<u>70,304</u>	<u>6,753,056</u>

23,795	761,308
4,897,580	29,339,413
	4,945,744
<u>4,921,375</u>	<u>35,046,465</u>

<u>\$ 5,933,531</u>	<u>\$ 49,253,849</u>
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CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2015

Total governmental fund balances	\$	35,046,465
<p>Amounts reported for <i>governmental activities</i> in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		
Governmental capital assets	\$ 153,748,896	
Less accumulated depreciation	<u>(51,135,865)</u>	102,613,031
<p>Some receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable revenues in the funds.</p>		
Property taxes	6,682,752	
Intergovernmental	<u>70,304</u>	6,753,056
<p>Deferred items related to the net cost of issuance of bonds are amortized over the life of the associated bond issue in the government-wide statements but not reported in the funds.</p>		
		628,656
<p>Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.</p>		
Deferred outflows of resources related to pensions	5,273,083	
Deferred inflows of resources related to pensions	<u>(6,744,446)</u>	(1,471,363)
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.</p>		
Compensated absences payable	(987,163)	
Obligations under capital leases	(6,569,022)	
Net pension liability	(38,568,533)	
Bonds payable	<u>(34,036,471)</u>	<u>(80,161,189)</u>
Net position of governmental activities	\$	<u>63,408,656</u>

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

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2015

	<u>General</u>	<u>Debt Service</u>	<u>Bond Building</u>
Revenues:			
Other local	\$ 899,747	\$ 7,857	\$ 46,812
Property taxes	26,114,043	1,856,471	
State aid and grants	7,242,315		
Federal aid, grants and reimbursements	70,303		
Total revenues	<u>34,326,408</u>	<u>1,864,328</u>	<u>46,812</u>
Expenditures:			
Current -			
Instruction	16,088,581		
Support services - students and staff	4,350,262		
Support services - administration	3,944,039		
Operation and maintenance of plant services	4,564,008		
Student transportation services	2,379,065		
Operation of non-instructional services	127,289		
Capital outlay	263,740		5,391,533
Debt service -			
Principal retirement		1,465,000	1,122,733
Interest and fiscal charges		510,217	22,006
Bond issuance costs		184,885	292,133
Total expenditures	<u>31,716,984</u>	<u>2,160,102</u>	<u>6,828,405</u>
Excess (deficiency) of revenues over expenditures	<u>2,609,424</u>	<u>(295,774)</u>	<u>(6,781,593)</u>
Other financing sources (uses):			
Transfers in	2,283,054	747,641	
Transfers out	(430,714)		(747,641)
Issuance of school improvement bonds			20,000,000
Issuance of refunding bonds		11,125,000	
Premium on sale of bonds		904,484	947,485
Payment to refunded bond escrow agent		(11,832,238)	
Total other financing sources (uses):	<u>1,852,340</u>	<u>944,887</u>	<u>20,199,844</u>
Changes in fund balances	<u>4,461,764</u>	<u>649,113</u>	<u>13,418,251</u>
Fund balances, beginning of year	1,270,520	175,535	10,198,934
Increase (decrease) in reserve for prepaid items	(37,211)		
Increase (decrease) in reserve for inventory	(11,816)		
Fund balances, end of year	<u>\$ 5,683,257</u>	<u>\$ 824,648</u>	<u>\$ 23,617,185</u>

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 4,762,951	\$ 5,717,367
52,693	28,023,207
2,421,921	9,664,236
2,105,742	2,176,045
<u>9,343,307</u>	<u>45,580,855</u>
3,897,892	19,986,473
875,881	5,226,143
9,564	3,953,603
84,649	4,648,657
69,247	2,448,312
3,327,401	3,454,690
4,590,388	10,245,661
303,078	2,890,811
336,043	868,266
	477,018
<u>13,494,143</u>	<u>54,199,634</u>
<u>(4,150,836)</u>	<u>(8,618,779)</u>
430,714	3,461,409
(2,283,054)	(3,461,409)
	20,000,000
	11,125,000
	1,851,969
	(11,832,238)
<u>(1,852,340)</u>	<u>21,144,731</u>
<u>(6,003,176)</u>	<u>12,525,952</u>
10,910,838	22,555,827
	(37,211)
13,713	1,897
<u>\$ 4,921,375</u>	<u>\$ 35,046,465</u>

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2015

Net changes in fund balances - total governmental funds **\$ 12,490,638**

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	\$ 9,263,742	
Less current year depreciation	<u>(3,933,048)</u>	5,330,694

Issuance of long-term debt provides current financial resources to governmental funds, but the issuance increases long term liabilities in the Statement of Net Position.

Issuance of school improvement bonds and related premium	(20,947,485)	
Premium related to the issuance of refunding bonds	<u>(904,484)</u>	(21,851,969)

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

Property taxes	(169,590)	
Intergovernmental	<u>(30,848)</u>	(200,438)

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

Capital lease principal retirement	1,425,811	
Bond principal retirement	<u>1,465,000</u>	2,890,811

Governmental funds report pension contributions as expenditures. However, they are reported as deferred outflows of resources in the Statement of Net Position. The change in the net pension liability, adjusted for deferred pension items, is reported as pension expense in the Statement of Activities.

Current year pension contributions	2,505,108	
Pension expense	<u>(2,889,233)</u>	(384,125)

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 charges on issuance of debt	707,238	
Loss on disposal of assets	(55,154)	
Amortization of deferred bond items	21,916	
Compensated absences	<u>16,383</u>	<u>690,383</u>

Changes in net position in governmental activities **\$ (1,034,006)**

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

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2015

	Agency
<u>ASSETS</u>	
Cash and investments	\$ 2,822,007
Total assets	\$ 2,822,007
<u>LIABILITIES</u>	
Accounts payable	\$ 13,617
Deposits held for others	2,606,153
Due to student groups	202,237
Total liabilities	\$ 2,822,007

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

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Cave Creek Unified School District No. 93 (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, 2015, the District implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. This Statement requires governments providing defined benefit pensions to recognize the long-term obligation for pension benefits as a liability, and to more comprehensively and comparably measure the annual costs of pension benefits. This Statement also enhances accountability and transparency through revised note disclosures and new required supplementary information.

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 purpose, and the District is not included in any other governmental reporting entity. The District's major operations include education, student transportation, construction and maintenance of District facilities, food services, bookstore, athletic functions, community education functions, and sponsorship of charter schools.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 and state aid, and other items not included among program revenues are reported instead as general revenues.

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

C. 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 effects of internal activity have 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.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. As permitted by generally accepted accounting principles the District applies the “early recognition” option for debt service payments. Property tax resources are provided in the Debt Service Fund during the current year for the payment of debt service principal and interest due early in the following year (less than one month). Therefore, the expenditures and related liabilities have been recognized in the current period.

Property taxes, additional state aid, 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. Community education fees, 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. Unearned 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 unavailable revenues 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. 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 certain activities budgeted in separate funds in accordance with A.R.S. These funds are maintained as separate funds for budgetary purposes but do not meet the criteria for separate reporting in the financial statements.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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 type:

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

D. Cash and Investments

A.R.S. require the District to deposit all cash with the County Treasurer, except as discussed below. Cash with the County Treasurer 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.

Statute authorizes the District to separately invest monies of the Bond Building and Debt Service Funds in the State Treasurer's investment pools; obligations issued and guaranteed by the United States or any of its agencies or instrumentalities; specified state and local government bonds and notes; and interest bearing savings accounts or certificates of deposit.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statute authorizes the District to deposit monies of the Auxiliary Operations and Student Activities Funds in bank accounts. Monies in these funds may also be invested. In addition, statute authorizes the District to maintain various bank accounts such as clearing accounts to temporarily deposit receipts before they are transmitted to the County Treasurer; revolving accounts to pay minor disbursements; and withholdings accounts for taxes and employee insurance programs. Some of these bank accounts may be interest bearing.

Statute does not include any requirements for credit risk, concentration of credit risk, interest rate risk, or foreign currency risk. Statute requires collateral for deposits of Bond Building and Debt Service Funds monies in interest bearing savings accounts and certificates of deposit at 101 percent of all deposits not covered by federal depository insurance.

Arizona statute requires a pooled collateral program for public deposits and a Statewide Collateral Pool Administrator (Administrator) in the State Treasurer's Office. The purpose of the pooled collateral program is to ensure that governmental entities' public deposits placed in participating depositories are secured with collateral of 102 percent of the public deposits, less any applicable deposit insurance. An eligible depository may not retain or accept any public deposit unless it has deposited the required collateral with a qualified escrow agent or the Administrator. The Administrator manages the pooled collateral program, including reporting on each depository's compliance with the program.

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 fund financial statements.

F. Receivables and Payables

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.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

G. Property Tax Calendar

The County Treasurer is responsible for collecting property taxes for all governmental entities within the county. The county levies real and personal property taxes on or before the third Monday in August that 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.

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 using the average cost 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.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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

Land improvements	7 - 25 years
Buildings and improvements	7 - 50 years
Vehicles, furniture and equipment	5 - 15 years

K. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position may report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position may report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

L. 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.

M. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

N. Long-term Obligations

In the government-wide 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 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.

O. 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.

P. Net Position Flow Assumption

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

Q. 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.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

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. Those committed amounts cannot be used for any other purpose unless the Governing Board removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The District does not have a formal policy or procedures for the utilization of committed fund balance, and accordingly, no committed fund balance amounts are reported.

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 Board delegated the authority and responsibility to assign fund balances to the Associate Superintendent of Operations and Finance.

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.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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

	General Fund	Debt Service Fund	Bond Building Fund	Non-Major Governmental Funds
Fund Balances:				
Nonspendable:				
Prepaid items	\$ 396,574		\$	\$
Inventory	340,939			23,795
Restricted:				
Debt service		824,648		
Capital projects				891,059
Bond building projects			23,617,185	
Voter approved initiatives				889,708
Federal projects				344,379
Food service				556,506
Civic center				509,091
Community school				250,511
Extracurricular activities				679,368
Gifts and donations				700,828
Other purposes				76,130
Unassigned	4,945,744			
Total fund balances	\$ 5,683,257	\$ 824,648	\$ 23,617,185	\$ 4,921,375

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

NOTE 4 – CASH AND 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 \$2,858,485 and the bank balance was \$3,134,962. In addition, the District had \$200 of cash on hand.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

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	367 days	\$ 37,279,281
Total		<u>\$ 37,279,281</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. As of year end, the District’s investment in the County Treasurer’s investment pool did not receive a credit quality rating from a national rating agency.

Custodial Credit Risk – Investments. The District’s investment in the County Treasurer’s investment pool 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.

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:

	<u>General Fund</u>	<u>Non-Major Governmental Funds</u>
Due from other governmental entities:		
Due from federal government	\$	\$ 738,072
Due from state government	2,534,519	261,880
Net due from governmental entities	<u>\$ 2,534,519</u>	<u>\$ 999,952</u>

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

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	\$ 18,690,761	\$	\$	\$ 18,690,761
Construction in progress	1,928,813	6,340,946	3,881,896	4,387,863
Total capital assets, not being depreciated	<u>20,619,574</u>	<u>6,340,946</u>	<u>3,881,896</u>	<u>23,078,624</u>
Capital assets, being depreciated:				
Land improvements	11,170,786	2,973,012		14,143,798
Buildings and improvements	107,292,068	2,175,593	22,875	109,444,786
Vehicles, furniture and equipment	6,632,858	1,656,087	1,207,257	7,081,688
Total capital assets being depreciated	<u>125,095,712</u>	<u>6,804,692</u>	<u>1,230,132</u>	<u>130,670,272</u>
Less accumulated depreciation for:				
Land improvements	(5,379,795)	(422,793)		(5,802,588)
Buildings and improvements	(37,720,521)	(3,049,295)	(3,622)	(40,766,194)
Vehicles, furniture and equipment	(5,277,479)	(460,960)	(1,171,356)	(4,567,083)
Total accumulated depreciation	<u>(48,377,795)</u>	<u>(3,933,048)</u>	<u>(1,174,978)</u>	<u>(51,135,865)</u>
Total capital assets, being depreciated, net	<u>76,717,917</u>	<u>2,871,644</u>	<u>55,154</u>	<u>79,534,407</u>
Governmental activities capital assets, net	<u>\$ 97,337,491</u>	<u>\$ 9,212,590</u>	<u>\$ 3,937,050</u>	<u>\$ 102,613,031</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 3,218,268
Support services – students and staff	5,981
Support services – administration	185,260
Operation and maintenance of plant services	110,917
Student transportation services	311,954
Operation of non-instructional services	100,668
Total depreciation expense – governmental activities	<u>\$ 3,933,048</u>

Construction Commitments – At year end, the District had contractual commitments for facilities renovations and upgrades. At year end the District had spent \$4,387,863 on the projects and had estimated contractual commitments of \$3,813,432. These projects are being funded with monies provided by the Bond Building Fund and the Building Renewal Grant Fund, a non-major capital projects fund.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 7 – REVOLVING LINE OF CREDIT

The District has a revolving line of credit to provide cash flow during the year to mitigate the impact of timing differences of expenditures and the receipt of state aid and property tax revenues. General Fund revenues were used to repay the line of credit. Short-term debt activity for the current fiscal year was as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
Revolving line of credit	\$	\$ 21,000	\$ 21,000	\$

NOTE 8 – OBLIGATIONS UNDER CAPITAL LEASES

The District has acquired energy efficiency upgrades and replacements, solar energy upgrades, and school buses under the provisions of long-term lease agreements classified as capital leases. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of its future minimum lease payments as of the inception date. The District obtained Qualified School Construction Bond monies to finance the energy efficiency upgrades and replacements project, and as such, it is expected the District will receive direct subsidy payments from the United States of America for a portion of the interest due. The District received \$208,299 in federal subsidies during the year. In addition to federal subsidies, monies transferred to the Energy and Water Savings Fund, a non-major governmental fund from the General Fund will be used to pay the solar energy upgrade capital lease obligation. Revenues from the General Fund are transferred to the Energy and Water Savings Fund to pay the capital lease obligations when due. Proceeds from the Bond Building Fund were used to pay the bus capital lease obligation. Amortization of assets recorded under capital leases is included with depreciation expense.

The assets acquired through capital leases that meet the District’s capitalization threshold are as follows:

	Governmental Activities
Asset:	
Land improvements	\$ 2,492,100
Buildings and improvements	5,026,311
Vehicles	1,401,165
Less: Accumulated depreciation	398,671
Total	\$ 8,520,905

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 8 – OBLIGATIONS UNDER CAPITAL LEASES

The future minimum lease obligations and the net present value of these minimum lease payments at year end were as follows. Amortization of assets held under capital leases is included with depreciation expense.

Year Ending June 30:	Governmental Activities
2016	\$ 782,804
2017	777,183
2018	760,922
2019	756,514
2020	751,206
2021-25	3,656,710
2026-30	<u>1,126,369</u>
Total minimum lease payments	8,611,708
Less: amount representing interest	<u>2,042,686</u>
Present value of minimum lease payments	<u>6,569,022</u>
Due within one year	<u>\$ 469,010</u>

NOTE 9 – GENERAL OBLIGATION BONDS PAYABLE

Bonds payable at year end, consisted of the following outstanding general obligation bonds. 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, 2015	Due Within One Year
Governmental activities:					
School Improvement Bonds, Project 2000, Series B (Class B 2006)	\$ 5,000,000	4.125-4.25%	7/1/15-16	\$ 700,000	\$ 325,000
School Improvement Bonds, Project 2000, Series C (Class B 2006)	15,000,000	4.25%	7/1/15-16	1,925,000	950,000
School Improvement Bonds, Project 2014, Series A (Class B 2015)	20,000,000	2.0-4.0%	7/1/16-30	20,000,000	
Refunding Bonds, (Class B 2015)	11,125,000	1.5-5.25%	7/1/15-23	<u>11,125,000</u>	<u>190,000</u>
Total				<u>\$ 33,750,000</u>	<u>\$ 1,465,000</u>

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 9 – GENERAL OBLIGATION BONDS PAYABLE

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

Year ending June 30:	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2016	\$ 1,465,000	\$ 766,973
2017	2,610,000	1,122,463
2018	2,635,000	1,028,475
2019	1,735,000	962,075
2020	1,875,000	907,125
2021-25	9,415,000	3,655,613
2026-30	11,445,000	1,688,700
2031	<u>2,570,000</u>	<u>51,400</u>
Total	<u>\$ 33,750,000</u>	<u>\$ 10,182,824</u>

During the year ended June 30, 2015, the District issued \$11,125,000 in refunding bonds, with an effective interest rate of 3.79 percent, to advance refund \$11,125,000 of outstanding general obligation bonds, with an average interest rate of 4.60 percent. The net proceeds of \$11,832,238, which includes \$904,484 of bond premium, (after payment of \$197,246 in underwriting fees, insurance, and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent, to provide for all future debt service payments of the refunded general obligation bonds. As a result, the refunded general obligation bonds are considered to be defeased, and the liability for those bonds has been removed from the government-wide financial statements. The reacquisition price exceeded the net carrying amount of the old debt by \$707,238. This amount is reported as deferred charges and amortized over the new debt's life. This advance refunding was undertaken to reduce total debt service payments over the next eight years by \$736,979 and resulted in an economic gain of \$658,840.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 10 – 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:	\$ 14,975,000	\$31,125,000	\$12,350,000	\$ 33,750,000	\$ 1,465,000
Premium on bonds payable		1,851,969	100,498	1,751,471	
Total bonds payable	<u>14,975,000</u>	<u>32,976,969</u>	<u>12,450,498</u>	<u>35,501,471</u>	<u>1,465,000</u>
Obligations under capital leases	7,994,833		1,425,811	6,569,022	469,010
Net pension liability	39,655,771		1,087,238	38,568,533	
Compensated absences payable	<u>1,003,546</u>	<u>434,614</u>	<u>450,997</u>	<u>987,163</u>	<u>104,011</u>
Governmental activity long-term liabilities	<u>\$ 63,629,150</u>	<u>\$ 33,411,583</u>	<u>\$ 15,414,544</u>	<u>\$ 81,626,189</u>	<u>\$ 2,038,021</u>

NOTE 11 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At year end, interfund balances were as follows:

Due to/from other funds:

At year end, several non-major governmental funds had negative cash balances in the Treasurer's pooled cash accounts of \$615,880. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with the Food Service Fund and the E-Rate Fund, which both are non-major special revenue funds.

Interfund transfers:

	Transfers in			Total
	General Fund	Debt Service Fund	Non-Major Governmental Funds	
Transfers out				
General Fund	\$	\$	\$ 430,714	\$ 430,714
Bond Building Fund		747,641		747,641
Non-Major Governmental Funds	<u>2,283,054</u>			<u>2,283,054</u>
Total	<u>\$2,283,054</u>	<u>\$ 747,641</u>	<u>\$ 430,714</u>	<u>\$3,461,409</u>

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 11 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

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, (3) to move monies from the Maintenance and Operation Fund to the Energy and Water Savings Fund for repayment of the capital investment of the qualified provider or utility, energy or water services company based on the established repayment schedule in accordance with A.R.S. §15.910.02(H), (4) to move the premium from the issuance of bonds to the Debt Service Fund, and (5) to move monies from the Unrestricted Capital Outlay Fund to the Maintenance and Operation Fund to reduce taxes.

NOTE 12 – 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.

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.

NOTE 13 – 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.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 13 – RISK MANAGEMENT

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 all other risks of loss, including employee health insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Plan Description. District employees participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan, a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiple-employer defined benefit long-term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2 and 2.1. ASRS is a component unit of the State of Arizona. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on the ASRS website at www.azasrs.gov.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Benefits Provided. The ASRS provides retirement, health insurance premium supplement, long-term disability, and survivor benefits. State statute establishes benefit terms. Retirement benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

	Retirement Initial Membership Date:	
	Before July 1, 2011	On or After July 1, 2011
Years of service and age required to receive benefit	Sum of years and age equals 80 10 years age 62 5 years age 50* Any years age 65	30 years age 55 25 years age 60 10 years age 62 5 years age 50* Any years age 65
Final average salary is based on	Highest 36 months of last 120 months	Highest 60 months of last 120 months
Benefit percent per year of service	2.1% to 2.3%	2.1% to 2.3%

*With actuarially reduced benefits

Retirement benefits for members who joined the ASRS prior to September 13, 2013, are subject to automatic cost-of-living adjustments based on excess investment earnings. Members with a membership date on or after September 13, 2013, are not eligible for cost-of-living adjustments. Survivor benefits are payable upon a member's death. For retired members, the survivor benefit is determined by the retirement benefit option chosen. For all other members, the beneficiary is entitled to the member's account balance that includes the member's contributions and employer's contributions, plus interest earned.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Contributions. In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.60 percent (11.48 percent for retirement and 0.12 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 11.60 percent (10.89 percent for retirement, 0.59 percent for health insurance premium benefit, and 0.12 percent for long-term disability) of the active members’ annual covered payroll. The District’s contributions to the pension plan for the year ended June 30, 2015 were \$2,505,108.

In addition, the District was required by statute to contribute at the actuarially determined rate of 9.57 percent (9.51 for retirement and 0.06 percent for long-term disability) of annual covered payroll of retired members who worked in positions that would typically be filled by an employee who contributes to ASRS.

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

		Health Benefit Supplement Fund		Long-Term Disability Fund
Year ending June 30:				
2015	\$	135,722	\$	27,605
2014		141,077		56,431
2013		146,168		53,970

Pension Liability. At June 30, 2015, the District reported a liability of \$38.6 million for its proportionate share of the net pension liability of the ASRS. The net pension liability was measured as of June 30, 2014. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2013, to the measurement date of June 30, 2014. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2014, the District’s proportion was 0.26 percent, which was an increase of .01 percent from its proportion measured as of June 30, 2013.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Pension Expense and Deferred Outflows/Inflows of Resources. For the year ended June 30, 2015, the District recognized pension expense of \$2.9 million and reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,960,166	\$
Net difference between projected and actual earnings on pension plan investments		6,744,446
Changes in proportion and differences between contributions and proportionate share of contributions	807,809	
Contributions subsequent to the measurement date	<u>2,505,108</u>	
Total	<u>\$ 5,273,083</u>	<u>\$ 6,744,446</u>

The deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:		
	2016	\$ (482,644)
	2017	(482,644)
	2018	(1,325,071)
	2019	(1,686,112)

Actuarial Assumptions. The significant actuarial assumptions used to measure the total pension liability are as follows:

Actuarial valuation date	June 30, 2013
Actuarial roll forward date	June 30, 2014
Actuarial cost method	Entry age normal
Investment rate of return	8.0%
Projected salary increases	3.0-6.75%
Inflation	3.0%
Permanent base increases	Included
Mortality rates	1994 GAM Scale BB

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2012. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2013, actuarial valuation. The study did not include an analysis of the assumed investment rate of return.

The long-term expected rate of return on ASRS pension plan investments was determined to be 8.79 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	63%	7.03%
Fixed income	25%	3.20
Real estate	8%	4.75
Commodities	4%	4.50
Total	<u>100%</u>	

Discount Rate. The discount rate used to measure the ASRS total pension liability was 8.0 percent, which is less than the long-term expected rate of return of 8.79 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board’s funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 8.0 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease (7.0%)</u>	<u>Current Discount Rate (8.0%)</u>	<u>1% Increase (9.0%)</u>
Proportionate share of the net pension liability	\$48,748,648	\$ 38,568,533	\$33,045,310

Pension Plan Fiduciary Net Position. Detailed information about the pension plan’s fiduciary net position is available in the separately issued ASRS financial report. The report is available on the ASRS website at www.azasrs.gov.

Beginning Net Position Restatement. The implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, represents a change in accounting principle. Net position as of July 1, 2014, has been restated as follows for this change in accounting principle:

	<u>Statement of Activities</u>
Net position, June 30, 2014, as previously reported	\$ 104,098,433
Net pension liability	<u>(39,655,771)</u>
Net position, July 1, 2014, as restated	<u>\$ 64,442,662</u>

NOTE 15 – SUBSEQUENT EVENT

On July 15, 2015, Cave Creek Unified School District entered into a lease purchase agreement to provide financing for the installation of photo voltaic solar panels. This lease purchase agreement was funded through Pinnacle Public Finance, Inc. in the amount of \$1,488,600. Revenues and transfers in of savings from the Energy and Water Savings Fund, a non-major governmental fund, will be used to pay the capital lease obligations.

REQUIRED SUPPLEMENTARY INFORMATION

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL
YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other local	\$	\$	\$ 110,784	\$ 110,784
Property taxes			26,114,043	26,114,043
State aid and grants			7,137,986	7,137,986
Total revenues			<u>33,362,813</u>	<u>33,362,813</u>
Expenditures:				
Current -				
Instruction	16,103,547	15,996,893	15,488,376	508,517
Support services - students and staff	4,488,473	4,331,508	4,238,056	93,452
Support services - administration	3,708,255	3,767,471	3,915,604	(148,133)
Operation and maintenance of plant services	5,109,409	5,059,347	4,517,709	541,638
Student transportation services	2,419,931	2,451,946	2,325,023	126,923
Operation of non-instructional services	83,525	98,002	87,165	10,837
Total expenditures	<u>31,913,140</u>	<u>31,705,167</u>	<u>30,571,933</u>	<u>1,133,234</u>
Excess (deficiency) of revenues over expenditures	<u>(31,913,140)</u>	<u>(31,705,167)</u>	<u>2,790,880</u>	<u>34,496,047</u>
Other financing sources (uses):				
Transfers in			2,200,000	2,200,000
Transfers out			(430,714)	(430,714)
Total other financing sources (uses):			<u>1,769,286</u>	<u>1,769,286</u>
Changes in fund balances	<u>(31,913,140)</u>	<u>(31,705,167)</u>	<u>4,560,166</u>	<u>36,265,333</u>
Fund balances (deficits), beginning of year			(125,826)	(125,826)
Increase (decrease) in reserve for prepaid items			(37,211)	(37,211)
Increase (decrease) in reserve for inventory			(11,816)	(11,816)
Fund balances (deficits), end of year	<u>\$ (31,913,140)</u>	<u>\$ (31,705,167)</u>	<u>\$ 4,385,313</u>	<u>\$ 36,090,480</u>

See accompanying notes to this schedule.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
ARIZONA STATE RETIREMENT SYSTEM
YEAR ENDED JUNE 30, 2015

2015

District's proportion of the net pension liability (asset)	0.26%
District's proportionate share of the net pension liability (asset)	\$ 38,568,533
District's covered-employee payroll	\$ 23,677,400
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	162.89%
Plan fiduciary net position as a percentage of the total pension liability	69.49%

SCHEDULE OF CONTRIBUTIONS
ARIZONA STATE RETIREMENT SYSTEM
YEAR ENDED JUNE 30, 2015

2015

Actuarially determined contribution	\$ 2,505,108
Contributions in relation to the actuarially determined contribution	<u>2,505,108</u>
Contribution deficiency (excess)	<u><u>\$</u></u>
District's covered-employee payroll	\$ 23,049,536
Contributions as a percentage of covered-employee payroll	10.87%

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2015

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

The District budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America, except for the following item.

- Certain activities reported in the General Fund are budgeted in separate funds in accordance with Arizona Revised Statutes.

The following schedule reconciles expenditures and fund balances at the end of year:

	<u>Total Expenditures</u>	<u>Fund Balances End of Year</u>
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	\$ 31,716,984	\$ 5,683,257
Activity budgeted as special revenue funds	<u>(1,145,051)</u>	<u>(1,297,944)</u>
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	<u>\$ 30,571,933</u>	<u>\$ 4,385,313</u>

NOTE 2 – PENSION PLAN SCHEDULES

Actuarial Assumptions for Valuations Performed. The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated, which is the most recent actuarial valuation. The actuarial assumptions used are disclosed in the notes to the financial statements.

Factors that Affect Trends. The actuarial assumptions used in the June 30, 2013, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2012. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2013, actuarial valuation. The study did not include an analysis of the assumed investment rate of return.

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

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GOVERNMENTAL FUNDS

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2015

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Fund</u>
<u>ASSETS</u>			
Cash and investments	\$ 3,288,599	\$ 820,767	\$ 4,109,366
Accounts receivable	34,824	100,914	135,738
Deposits	49,538		49,538
Due from governmental entities	981,058	18,156	999,214
Due from other funds	615,880		615,880
Inventory	23,795		23,795
Total assets	<u>\$ 4,993,694</u>	<u>\$ 939,837</u>	<u>\$ 5,933,531</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 97,681	\$ 48,778	\$ 146,459
Due to other funds	615,880		615,880
Accrued payroll and employee benefits	119,456		119,456
Unearned revenues	60,057		60,057
Total liabilities	<u>893,074</u>	<u>48,778</u>	<u>941,852</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>70,304</u>		<u>70,304</u>
Fund balances:			
Nonspendable	23,795		23,795
Restricted	4,006,521	891,059	4,897,580
Total fund balances	<u>4,030,316</u>	<u>891,059</u>	<u>4,921,375</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,993,694</u>	<u>\$ 939,837</u>	<u>\$ 5,933,531</u>

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
YEAR ENDED JUNE 30, 2015

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:			
Other local	\$ 4,635,135	\$ 127,816	\$ 4,762,951
Property taxes		52,693	52,693
State aid and grants	2,283,633	138,288	2,421,921
Federal aid, grants and reimbursements	<u>1,897,443</u>	<u>208,299</u>	<u>2,105,742</u>
Total revenues	<u>8,816,211</u>	<u>527,096</u>	<u>9,343,307</u>
Expenditures:			
Current -			
Instruction	3,897,892		3,897,892
Support services - students and staff	875,881		875,881
Support services - administration	9,564		9,564
Operation and maintenance of plant services	75,019	9,630	84,649
Student transportation services	63,974	5,273	69,247
Operation of non-instructional services	3,327,401		3,327,401
Capital outlay	471,200	4,119,188	4,590,388
Debt service -			
Principal retirement		303,078	303,078
Interest and fiscal charges		<u>336,043</u>	<u>336,043</u>
Total expenditures	<u>8,720,931</u>	<u>4,773,212</u>	<u>13,494,143</u>
Excess (deficiency) of revenues over expenditures	<u>95,280</u>	<u>(4,246,116)</u>	<u>(4,150,836)</u>
Other financing sources (uses):			
Transfers in		430,714	430,714
Transfers out	<u>(83,054)</u>	<u>(2,200,000)</u>	<u>(2,283,054)</u>
Total other financing sources (uses):	<u>(83,054)</u>	<u>(1,769,286)</u>	<u>(1,852,340)</u>
Changes in fund balances	<u>12,226</u>	<u>(6,015,402)</u>	<u>(6,003,176)</u>
Fund balances, beginning of year	4,004,377	6,906,461	10,910,838
Increase (decrease) in reserve for inventory	13,713		13,713
Fund balances, end of year	<u>\$ 4,030,316</u>	<u>\$ 891,059</u>	<u>\$ 4,921,375</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.

Student Success - to account for student success monies.

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.

Title IV Grants - to account for financial assistance received for chemical abuse awareness programs and expanding projects that benefit educational and health needs of the communities.

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

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

Taylor Grazing Fees - to account for financial assistance received for the purpose of protecting public lands by preventing over-grazing and soil deterioration and to provide for orderly use, improvement and development, and stabilization of the livestock industry.

E-Rate - to account for financial assistance received for broadband internet and telecommunication 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.

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.

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 received from federal projects for administrative costs.

Advertisement - to account for monies received from the sale of advertising.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS
JUNE 30, 2015

	Classroom Site	Instructional Improvement	Title I Grants
<u>ASSETS</u>			
Cash and investments	\$ 500,006	\$ 153,989	\$
Accounts receivable			
Deposits			
Due from governmental entities	153,452	89,534	172,147
Due from other funds			
Inventories			
Total assets	\$ 653,458	\$ 243,523	\$ 172,147
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 7,273	\$	\$
Due to other funds			160,868
Accrued payroll and employee benefits			4,514
Unearned revenues			6,765
Total liabilities	7,273		172,147
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances:			
Nonspendable			
Restricted	646,185	243,523	
Total fund balances	646,185	243,523	
 Total liabilities, deferred inflows of resources and fund balances	 \$ 653,458	 \$ 243,523	 \$ 172,147

Professional Development and Technology Grants	Title IV Grants	Special Education Grants	Vocational Education	E-Rate	Other Federal Projects
\$	\$	\$	\$	\$	\$ 72,186 34,824
40,239	101,279	300,895	20,489	103,023 204,650	
<u>\$ 40,239</u>	<u>\$ 101,279</u>	<u>\$ 300,895</u>	<u>\$ 20,489</u>	<u>\$ 307,673</u>	<u>\$ 107,010</u>
\$	\$	\$	\$	\$	\$
40,239	93,389 7,140 750	300,895	20,489		
<u>40,239</u>	<u>101,279</u>	<u>300,895</u>	<u>20,489</u>		
				70,304	
				237,369	107,010
				<u>237,369</u>	<u>107,010</u>
<u>\$ 40,239</u>	<u>\$ 101,279</u>	<u>\$ 300,895</u>	<u>\$ 20,489</u>	<u>\$ 307,673</u>	<u>\$ 107,010</u>

(Continued)

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS
JUNE 30, 2015

	State Vocational Education	Other State Projects	Food Service
<u>ASSETS</u>			
Cash and investments	\$ 422	\$ 1,855	\$ 169,679
Accounts receivable			
Deposits			49,538
Due from governmental entities			
Due from other funds			411,230
Inventory			23,795
Total assets	\$ 422	\$ 1,855	\$ 654,242
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$ 18,788
Due to other funds			
Accrued payroll and employee benefits			4,888
Unearned revenues	422	1,855	50,265
Total liabilities	422	1,855	73,941
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances:			
Nonspendable			23,795
Restricted			556,506
Total fund balances			580,301
 Total liabilities, deferred inflows of resources and fund balances	 \$ 422	 \$ 1,855	 \$ 654,242

<u>Civic Center</u>	<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>	<u>Gifts and Donations</u>	<u>Fingerprint</u>	<u>Textbooks</u>
\$ 523,797	\$ 408,188	\$ 679,368	\$ 702,979	\$ 22,593	\$ 53,537
<u>\$ 523,797</u>	<u>\$ 408,188</u>	<u>\$ 679,368</u>	<u>\$ 702,979</u>	<u>\$ 22,593</u>	<u>\$ 53,537</u>
\$ 9,319	\$ 62,301	\$	\$	\$	\$
5,387	95,376		2,151		
<u>14,706</u>	<u>157,677</u>		<u>2,151</u>		
<u>509,091</u>	<u>250,511</u>	<u>679,368</u>	<u>700,828</u>	<u>22,593</u>	<u>53,537</u>
<u>509,091</u>	<u>250,511</u>	<u>679,368</u>	<u>700,828</u>	<u>22,593</u>	<u>53,537</u>
<u>\$ 523,797</u>	<u>\$ 408,188</u>	<u>\$ 679,368</u>	<u>\$ 702,979</u>	<u>\$ 22,593</u>	<u>\$ 53,537</u>

(Continued)

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS
JUNE 30, 2015

	Totals
<u>ASSETS</u>	
Cash and investments	\$ 3,288,599
Accounts receivable	34,824
Deposits	49,538
Due from governmental entities	981,058
Due from other funds	615,880
Inventory	23,795
Total assets	\$ 4,993,694
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>	
Liabilities:	
Accounts payable	\$ 97,681
Due to other funds	615,880
Accrued payroll and employee benefits	119,456
Unearned revenues	60,057
Total liabilities	893,074
Deferred inflows of resources:	
Unavailable revenues - intergovernmental	70,304
Fund balances:	
Nonspendable	23,795
Restricted	4,006,521
Total fund balances	4,030,316
 Total liabilities, deferred inflows of resources and fund balances	 \$ 4,993,694

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CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2015

	Classroom Site	Instructional Improvement	Title I Grants
Revenues:			
Other local	\$ 4,639	\$ 779	\$
State aid and grants	1,841,428	208,064	
Federal aid, grants and reimbursements			397,577
Total revenues	1,846,067	208,843	397,577
Expenditures:			
Current -			
Instruction	2,049,252	181,974	355,461
Support services - students and staff	95,744	23,191	14,619
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			4,873
Operation of non-instructional services			
Capital outlay			12,570
Total expenditures	2,144,996	205,165	387,523
Excess (deficiency) of revenues over expenditures	(298,929)	3,678	10,054
Other financing sources (uses):			
Transfers out			(10,054)
Total other financing sources (uses):			(10,054)
Changes in fund balances	(298,929)	3,678	
Fund balances, beginning of year	945,114	239,845	
Increase (decrease) in reserve for inventory			
Fund balances, end of year	\$ 646,185	\$ 243,523	\$

Professional Development and Technology Grants	Title IV Grants	Limited English & Immigrant Students	Special Education Grants	Vocational Education	E-Rate
\$	\$	\$	\$	\$	\$ 367
65,750	208,184	4,644	704,635	63,077	106,842
<u>65,750</u>	<u>208,184</u>	<u>4,644</u>	<u>704,635</u>	<u>63,077</u>	<u>107,209</u>
63,258	931 205,253	4,164 430	332,917 352,203 680	26,594 20,044	
<u>63,258</u>	<u>206,184</u>	<u>4,594</u>	<u>690,535</u>	<u>60,883</u>	
<u>2,492</u>	<u>2,000</u>	<u>50</u>	<u>14,100</u>	<u>2,194</u>	<u>107,209</u>
<u>(2,492)</u>	<u>(2,000)</u>	<u>(50)</u>	<u>(14,100)</u>	<u>(2,194)</u>	
<u>(2,492)</u>	<u>(2,000)</u>	<u>(50)</u>	<u>(14,100)</u>	<u>(2,194)</u>	
					107,209
					130,160
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 237,369</u>

(Continued)

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2015

	<u>Other Federal Projects</u>	<u>State Vocational Education</u>	<u>Other State Projects</u>
Revenues:			
Other local	\$ 151,272	\$	\$
State aid and grants		46,333	187,808
Federal aid, grants and reimbursements			
Total revenues	<u>151,272</u>	<u>46,333</u>	<u>187,808</u>
Expenditures:			
Current -			
Instruction	104,850	12,648	187,808
Support services - students and staff	3,834	24,012	
Support services - administration			
Operation and maintenance of plant services			
Student transportation services		3,209	
Operation of non-instructional services			
Capital outlay	1,420	6,464	
Total expenditures	<u>110,104</u>	<u>46,333</u>	<u>187,808</u>
Excess (deficiency) of revenues over expenditures	<u>41,168</u>		
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>41,168</u>		
Fund balances, beginning of year	65,842		
Increase (decrease) in reserve for inventory			
Fund balances, end of year	<u>\$ 107,010</u>	<u>\$</u>	<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>
\$ 1,286,979	\$ 246,562	\$ 1,819,707	\$ 628,199	\$ 478,626	\$ 7,266
346,734					
<u>1,633,713</u>	<u>246,562</u>	<u>1,819,707</u>	<u>628,199</u>	<u>478,626</u>	<u>7,266</u>
	56,064		448,852	127,743	
				71,574	
				8,884	
	74,224			795	
1,391,303	42,250	1,873,959	52,210	3,682	
269,808	53,619	23,031	22,772	19,889	
<u>1,661,111</u>	<u>226,157</u>	<u>1,896,990</u>	<u>523,834</u>	<u>295,103</u>	
<u>(27,398)</u>	<u>20,405</u>	<u>(77,283)</u>	<u>104,365</u>	<u>183,523</u>	<u>7,266</u>
(52,164)					
<u>(52,164)</u>					
<u>(79,562)</u>	<u>20,405</u>	<u>(77,283)</u>	<u>104,365</u>	<u>183,523</u>	<u>7,266</u>
646,150	488,686	327,794	575,003	517,305	15,327
13,713					
<u>\$ 580,301</u>	<u>\$ 509,091</u>	<u>\$ 250,511</u>	<u>\$ 679,368</u>	<u>\$ 700,828</u>	<u>\$ 22,593</u>

(Continued)

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2015

	Textbooks	Totals
Revenues:		
Other local	\$ 10,739	\$ 4,635,135
State aid and grants		2,283,633
Federal aid, grants and reimbursements		1,897,443
Total revenues	10,739	8,816,211
Expenditures:		
Current -		
Instruction	8,634	3,897,892
Support services - students and staff	1,719	875,881
Support services - administration		9,564
Operation and maintenance of plant services		75,019
Student transportation services		63,974
Operation of non-instructional services		3,327,401
Capital outlay		471,200
Total expenditures	10,353	8,720,931
Excess (deficiency) of revenues over expenditures	386	95,280
Other financing sources (uses):		
Transfers out		(83,054)
Total other financing sources (uses):		(83,054)
Changes in fund balances	386	12,226
Fund balances, beginning of year	53,151	4,004,377
Increase (decrease) in reserve for inventory		13,713
Fund balances, end of year	\$ 53,537	\$ 4,030,316

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CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2015

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 4,639	\$ 4,639
State aid and grants		1,841,428	1,841,428
Federal aid, grants and reimbursements			
Total revenues		<u>1,846,067</u>	<u>1,846,067</u>
Expenditures:			
Current -			
Instruction	2,740,315	2,049,252	691,063
Support services - students and staff	123,559	95,744	27,815
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>2,863,874</u>	<u>2,144,996</u>	<u>718,878</u>
Excess (deficiency) of revenues over expenditures	<u>(2,863,874)</u>	<u>(298,929)</u>	<u>2,564,945</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(2,863,874)</u>	<u>(298,929)</u>	<u>2,564,945</u>
Fund balances, beginning of year		945,114	945,114
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (2,863,874)</u>	<u>\$ 646,185</u>	<u>\$ 3,510,059</u>

Instructional Improvement			Student Success		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 779 208,064	\$ 779 208,064	\$	\$ 146 104,329	\$ 146 104,329
	<u>208,843</u>	<u>208,843</u>		<u>104,475</u>	<u>104,475</u>
236,523 25,000	181,974 23,191	54,549 1,809	104,329		104,329
<u>261,523</u>	<u>205,165</u>	<u>56,358</u>	<u>104,329</u>		<u>104,329</u>
<u>(261,523)</u>	<u>3,678</u>	<u>265,201</u>	<u>(104,329)</u>	<u>104,475</u>	<u>208,804</u>
<u>(261,523)</u>	<u>3,678</u>	<u>265,201</u>	<u>(104,329)</u>	<u>104,475</u>	<u>208,804</u>
	239,845	239,845			
<u>\$ (261,523)</u>	<u>\$ 243,523</u>	<u>\$ 505,046</u>	<u>\$ (104,329)</u>	<u>\$ 104,475</u>	<u>\$ 208,804</u>

(Continued)

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2015

	Title I Grants		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		397,577	397,577
Total revenues		<u>397,577</u>	<u>397,577</u>
Expenditures:			
Current -			
Instruction	415,762	355,461	60,301
Support services - students and staff	15,000	14,619	381
Support services - administration			
Operation and maintenance of plant services			
Student transportation services	5,000	4,873	127
Operation of non-instructional services			
Capital outlay	15,000	12,570	2,430
Total expenditures	<u>450,762</u>	<u>387,523</u>	<u>63,239</u>
Excess (deficiency) of revenues over expenditures	<u>(450,762)</u>	<u>10,054</u>	<u>460,816</u>
Other financing sources (uses):			
Transfers in			
Transfers out		(10,054)	(10,054)
Total other financing sources (uses):		<u>(10,054)</u>	<u>(10,054)</u>
Changes in fund balances	<u>(450,762)</u>		<u>450,762</u>
Fund balances, beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (450,762)</u>	<u>\$</u>	<u>\$ 450,762</u>

Professional Development and Technology Grants			Title IV Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	65,750	65,750		208,184	208,184
	65,750	65,750		208,184	208,184
75,061	63,258	11,803	1,000 240,080	931 205,253	69 34,827
<u>75,061</u>	<u>63,258</u>	<u>11,803</u>	<u>241,080</u>	<u>206,184</u>	<u>34,896</u>
<u>(75,061)</u>	<u>2,492</u>	<u>77,553</u>	<u>(241,080)</u>	<u>2,000</u>	<u>243,080</u>
	<u>(2,492)</u>	<u>(2,492)</u>		<u>(2,000)</u>	<u>(2,000)</u>
	<u>(2,492)</u>	<u>(2,492)</u>		<u>(2,000)</u>	<u>(2,000)</u>
<u>(75,061)</u>		<u>75,061</u>	<u>(241,080)</u>		<u>241,080</u>
<u>\$ (75,061)</u>	<u>\$</u>	<u>\$ 75,061</u>	<u>\$ (241,080)</u>	<u>\$</u>	<u>\$ 241,080</u>

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2015

	Limited English & Immigrant Students		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		4,644	4,644
Total revenues		4,644	4,644
Expenditures:			
Current -			
Instruction	10,881	4,164	6,717
Support services - students and staff	500	430	70
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	11,381	4,594	6,787
Excess (deficiency) of revenues over expenditures	(11,381)	50	11,431
Other financing sources (uses):			
Transfers in			
Transfers out		(50)	(50)
Total other financing sources (uses):		(50)	(50)
Changes in fund balances	(11,381)		11,381
Fund balances, beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (11,381)	\$	\$ 11,381

Special Education Grants			Vocational Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	704,635	704,635		63,077	63,077
	704,635	704,635		63,077	63,077
335,000	332,917	2,083	34,896	26,594	8,302
445,695	352,203	93,492	25,000	20,044	4,956
1,000	680	320			
5,000	4,735	265	15,000	14,245	755
786,695	690,535	96,160	74,896	60,883	14,013
(786,695)	14,100	800,795	(74,896)	2,194	77,090
	(14,100)	(14,100)		(2,194)	(2,194)
	(14,100)	(14,100)		(2,194)	(2,194)
(786,695)		786,695	(74,896)		74,896
\$ (786,695)	\$	\$ 786,695	\$ (74,896)	\$	\$ 74,896

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2015

	Medicaid Reimbursement		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 1,010	\$ 1,010
State aid and grants			
Federal aid, grants and reimbursements		70,301	70,301
Total revenues		71,311	71,311
Expenditures:			
Current -			
Instruction	150,424	70,248	80,176
Support services - students and staff	65,000	64,279	721
Support services - administration	5,000	3,398	1,602
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	500	349	151
Total expenditures	220,924	138,274	82,650
Excess (deficiency) of revenues over expenditures	(220,924)	(66,963)	153,961
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	(220,924)	(66,963)	153,961
Fund balances, beginning of year		499,539	499,539
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (220,924)	\$ 432,576	\$ 653,500

Taylor Grazing Fees			E-Rate		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 367	\$ 367
	2	2		106,842	106,842
	2	2		107,209	107,209
			204,586		204,586
			204,586		204,586
	2	2	(204,586)	107,209	311,795
	2	2	(204,586)	107,209	311,795
	5	5		130,160	130,160
\$	\$ 7	\$ 7	\$ (204,586)	\$ 237,369	\$ 441,955

(Continued)

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2015

	Other Federal Projects		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 151,272	\$ 151,272
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	128,456	151,272	151,272
Expenditures:			
Current -			
Instruction	121,456	104,850	16,606
Support services - students and staff	5,000	3,834	1,166
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	2,000	1,420	580
Total expenditures	128,456	110,104	18,352
Excess (deficiency) of revenues over expenditures	(128,456)	41,168	169,624
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	(128,456)	41,168	169,624
Fund balances, beginning of year		65,842	65,842
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (128,456)	\$ 107,010	\$ 235,466

State Vocational Education			Other State Projects		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	46,333	46,333		187,808	187,808
	<u>46,333</u>	<u>46,333</u>		<u>187,808</u>	<u>187,808</u>
12,000	12,648	(648)	194,259	187,808	6,451
25,104	24,012	1,092			
3,000	3,209	(209)			
6,000	6,464	(464)			
<u>46,104</u>	<u>46,333</u>	<u>(229)</u>	<u>194,259</u>	<u>187,808</u>	<u>6,451</u>
(46,104)		46,104	(194,259)		194,259
<u>(46,104)</u>		<u>46,104</u>	<u>(194,259)</u>		<u>194,259</u>
<u>\$ (46,104)</u>	<u>\$</u>	<u>\$ 46,104</u>	<u>\$ (194,259)</u>	<u>\$</u>	<u>\$ 194,259</u>

(Continued)

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2015

	School Plant		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
Revenues:			
Other local	\$	\$ 23,483	\$ 23,483
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		23,483	23,483
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	265,694	220,770	44,924
Total expenditures	265,694	220,770	44,924
Excess (deficiency) of revenues over expenditures	(265,694)	(197,287)	68,407
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	(265,694)	(197,287)	68,407
Fund balances, beginning of year		265,694	265,694
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (265,694)	\$ 68,407	\$ 334,101

Food Service			Civic Center		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,286,979	\$ 1,286,979	\$	\$ 246,562	\$ 246,562
	346,734	346,734		246,562	246,562
	<u>1,633,713</u>	<u>1,633,713</u>		<u>246,562</u>	<u>246,562</u>
			60,000	56,064	3,936
			318,686	74,224	244,462
1,519,182	1,391,303	127,879	50,000	42,250	7,750
280,000	269,808	10,192	60,000	53,619	6,381
<u>1,799,182</u>	<u>1,661,111</u>	<u>138,071</u>	<u>488,686</u>	<u>226,157</u>	<u>262,529</u>
<u>(1,799,182)</u>	<u>(27,398)</u>	<u>1,771,784</u>	<u>(488,686)</u>	<u>20,405</u>	<u>509,091</u>
	(52,164)	(52,164)			
	<u>(52,164)</u>	<u>(52,164)</u>			
<u>(1,799,182)</u>	<u>(79,562)</u>	<u>1,719,620</u>	<u>(488,686)</u>	<u>20,405</u>	<u>509,091</u>
	646,150	646,150		488,686	488,686
	13,713	13,713			
<u>\$ (1,799,182)</u>	<u>\$ 580,301</u>	<u>\$ 2,379,483</u>	<u>\$ (488,686)</u>	<u>\$ 509,091</u>	<u>\$ 997,777</u>

(Continued)

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2015

	Community School		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 1,819,707	\$ 1,819,707
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>1,819,707</u>	<u>1,819,707</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services	2,095,696	1,873,959	221,737
Capital outlay	25,000	23,031	1,969
Total expenditures	<u>2,120,696</u>	<u>1,896,990</u>	<u>223,706</u>
Excess (deficiency) of revenues over expenditures	<u>(2,120,696)</u>	<u>(77,283)</u>	<u>2,043,413</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(2,120,696)</u>	<u>(77,283)</u>	<u>2,043,413</u>
Fund balances, beginning of year		327,794	327,794
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (2,120,696)</u>	<u>\$ 250,511</u>	<u>\$ 2,371,207</u>

Auxiliary Operations			Extracurricular Activities Fees Tax Credit		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 762,707	\$ 762,707	\$	\$ 628,199	\$ 628,199
	<u>762,707</u>	<u>762,707</u>		<u>628,199</u>	<u>628,199</u>
528,000	529,957	(1,957)	441,000	448,852	(7,852)
46,000	47,927	(1,927)			
24,000	25,037	(1,037)			
45,000	46,299	(1,299)			
	53,363	(53,363)	40,000	52,210	(12,210)
39,000	40,124	(1,124)			
41,000	42,621	(1,621)	20,000	22,772	(2,772)
<u>723,000</u>	<u>785,328</u>	<u>(62,328)</u>	<u>501,000</u>	<u>523,834</u>	<u>(22,834)</u>
<u>(723,000)</u>	<u>(22,621)</u>	<u>700,379</u>	<u>(501,000)</u>	<u>104,365</u>	<u>605,365</u>
<u>(723,000)</u>	<u>(22,621)</u>	<u>700,379</u>	<u>(501,000)</u>	<u>104,365</u>	<u>605,365</u>
	428,756	428,756		575,003	575,003
<u>\$ (723,000)</u>	<u>\$ 406,135</u>	<u>\$ 1,129,135</u>	<u>\$ (501,000)</u>	<u>\$ 679,368</u>	<u>\$ 1,180,368</u>

(Continued)

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2015

	Gifts and Donations		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 478,626	\$ 478,626
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>478,626</u>	<u>478,626</u>
Expenditures:			
Current -			
Instruction	219,000	127,743	91,257
Support services - students and staff	80,000	71,574	8,426
Support services - administration	10,000	8,884	1,116
Operation and maintenance of plant services	1,000	795	205
Student transportation services	5,000	3,682	1,318
Operation of non-instructional services	20,000	19,889	111
Capital outlay	65,000	62,536	2,464
Total expenditures	<u>400,000</u>	<u>295,103</u>	<u>104,897</u>
Excess (deficiency) of revenues over expenditures	<u>(400,000)</u>	<u>183,523</u>	<u>583,523</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(400,000)</u>	<u>183,523</u>	<u>583,523</u>
Fund balances, beginning of year		517,305	517,305
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (400,000)</u>	<u>\$ 700,828</u>	<u>\$ 1,100,828</u>

Fingerprint			Textbooks		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 7,266	\$ 7,266	\$	\$ 10,739	\$ 10,739
	<u>7,266</u>	<u>7,266</u>		<u>10,739</u>	<u>10,739</u>
15,327		15,327	50,151	8,634	41,517
			3,000	1,719	1,281
<u>15,327</u>		<u>15,327</u>	<u>53,151</u>	<u>10,353</u>	<u>42,798</u>
<u>(15,327)</u>	<u>7,266</u>	<u>22,593</u>	<u>(53,151)</u>	<u>386</u>	<u>53,537</u>
<u>(15,327)</u>	<u>7,266</u>	<u>22,593</u>	<u>(53,151)</u>	<u>386</u>	<u>53,537</u>
	15,327	15,327		53,151	53,151
<u>\$ (15,327)</u>	<u>\$ 22,593</u>	<u>\$ 37,920</u>	<u>\$ (53,151)</u>	<u>\$ 53,537</u>	<u>\$ 106,688</u>

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2015

	Litigation Recovery		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
Revenues:			
Other local	\$	\$ 17	\$ 17
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		17	17
Expenditures:			
Current -			
Instruction	4,291		4,291
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	4,291		4,291
Excess (deficiency) of revenues over expenditures	(4,291)	17	4,308
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	(4,291)	17	4,308
Fund balances, beginning of year		4,294	4,294
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (4,291)	\$ 4,311	\$ 8,602

Indirect Costs			Advertisement		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 680	\$ 680	\$	\$ 920	\$ 920
	<u>680</u>	<u>680</u>		<u>920</u>	<u>920</u>
186,646		186,646			
			11,339	679	10,660
<u>186,646</u>	<u></u>	<u>186,646</u>	<u>11,339</u>	<u>679</u>	<u>10,660</u>
<u>(186,646)</u>	<u>680</u>	<u>187,326</u>	<u>(11,339)</u>	<u>241</u>	<u>11,580</u>
	83,054	83,054			
	<u>83,054</u>	<u>83,054</u>			
<u>(186,646)</u>	<u>83,734</u>	<u>270,380</u>	<u>(11,339)</u>	<u>241</u>	<u>11,580</u>
	186,647	186,647		11,411	11,411
<u>\$ (186,646)</u>	<u>\$ 270,381</u>	<u>\$ 457,027</u>	<u>\$ (11,339)</u>	<u>\$ 11,652</u>	<u>\$ 22,991</u>

(Continued)

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2015

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 5,424,098	\$ 5,424,098
State aid and grants		2,387,962	2,387,962
Federal aid, grants and reimbursements		1,967,746	1,967,746
Total revenues		<u>9,779,806</u>	<u>9,779,806</u>
Expenditures:			
Current -			
Instruction	6,065,846	4,498,097	1,567,749
Support services - students and staff	1,173,999	988,087	185,912
Support services - administration	40,000	37,999	2,001
Operation and maintenance of plant services	364,686	121,318	243,368
Student transportation services	64,339	118,016	(53,677)
Operation of non-instructional services	3,723,878	3,367,525	356,353
Capital outlay	800,194	734,940	65,254
Total expenditures	<u>12,232,942</u>	<u>9,865,982</u>	<u>2,366,960</u>
Excess (deficiency) of revenues over expenditures	<u>(12,232,942)</u>	<u>(86,176)</u>	<u>12,146,766</u>
Other financing sources (uses):			
Transfers in		83,054	83,054
Transfers out		(83,054)	(83,054)
Total other financing sources (uses):			
Changes in fund balances	<u>(12,232,942)</u>	<u>(86,176)</u>	<u>12,146,766</u>
Fund balances, beginning of year		5,400,723	5,400,723
Increase (decrease) in reserve for inventory		13,713	13,713
Fund balances (deficits), end of year	<u>\$ (12,232,942)</u>	<u>\$ 5,328,260</u>	<u>\$ 17,561,202</u>

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.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL DEBT SERVICE FUNDS
YEAR ENDED JUNE 30, 2015

	Debt Service		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 7,857	\$ 7,857
Property taxes		1,856,471	1,856,471
Total revenues		<u>1,864,328</u>	<u>1,864,328</u>
Expenditures:			
Debt service -			
Principal retirement	1,465,000	1,465,000	
Interest and fiscal charges	324,825	510,217	(185,392)
Bond issuance costs	100,000	184,885	(84,885)
Total expenditures	<u>1,889,825</u>	<u>2,160,102</u>	<u>(270,277)</u>
Excess (deficiency) of revenues over expenditures	<u>(1,889,825)</u>	<u>(295,774)</u>	<u>1,594,051</u>
Other financing sources (uses):			
Transfers in		747,641	747,641
Issuance of refunding bonds		11,125,000	11,125,000
Premium on sale of bonds		904,484	904,484
Payment to refunded bond escrow agent		(11,832,238)	(11,832,238)
Total other financing sources (uses):		<u>944,887</u>	<u>944,887</u>
Changes in fund balances	<u>(1,889,825)</u>	<u>649,113</u>	<u>2,538,938</u>
Fund balances, beginning of year		175,535	175,535
Fund balances (deficits), end of year	<u>\$ (1,889,825)</u>	<u>\$ 824,648</u>	<u>\$ 2,714,473</u>

CAPITAL PROJECTS FUNDS

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

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.

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; supplying school buildings with furniture, equipment, and technology; improving school grounds; or purchasing pupil transportation vehicles.

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

Energy and Water Savings - to account for capital investment monies, energy related rebate, or grant monies, and monies from other funding sources to fund energy or water savings projects in school facilities in accordance with A.R.S. §15-910.02.

Emergency Deficiencies Correction - to account for monies received from the School Facilities Board to correct emergency deficiencies.

Building Renewal - to account for monies received from the School Facilities Board that are used for infrastructure or for major upgrades, repairs, or renovations to areas, systems or buildings that will maintain or extend their useful life.

Building Renewal Grant – to account for building renewal grant monies requested from the School Facilities Board that are used for infrastructure or for major upgrades, repairs, or renovations to areas, systems, or buildings that will maintain or extend their useful life.

New School Facilities - to account for monies received from the School Facilities Board to be used for constructing new school facilities and purchasing land for new school sites.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2015

	<u>Insurance Proceeds</u>	<u>Unrestricted Capital Outlay</u>	<u>Adjacent Ways</u>
<u>ASSETS</u>			
Cash and investments	\$ 133,231	\$ 557,028	\$ 122,907
Accounts receivable			
Due from governmental entities			
Total assets	<u>\$ 133,231</u>	<u>\$ 557,028</u>	<u>\$ 122,907</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$ 26,397	\$ 9,225
Total liabilities	<u></u>	<u>26,397</u>	<u>9,225</u>
Fund balances:			
Restricted	<u>133,231</u>	<u>530,631</u>	<u>113,682</u>
Total fund balances	<u>133,231</u>	<u>530,631</u>	<u>113,682</u>
Total liabilities and fund balances	<u>\$ 133,231</u>	<u>\$ 557,028</u>	<u>\$ 122,907</u>

<u>Gifts and Donations - Capital</u>	<u>Energy and Water Savings</u>	<u>Building Renewal</u>	<u>Building Renewal Grant</u>	<u>New School Facilities</u>	<u>Totals</u>
\$ 6,581	\$ 312 100,914	\$ 696	\$ 4	\$ 8	\$ 820,767 100,914 18,156
<u>\$ 6,581</u>	<u>\$ 101,226</u>	<u>\$ 696</u>	<u>\$ 18,160</u>	<u>\$ 8</u>	<u>\$ 939,837</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 13,156</u>	<u>\$</u>	<u>\$ 48,778</u>
			<u>13,156</u>		<u>48,778</u>
<u>6,581</u>	<u>101,226</u>	<u>696</u>	<u>5,004</u>	<u>8</u>	<u>891,059</u>
<u>6,581</u>	<u>101,226</u>	<u>696</u>	<u>5,004</u>	<u>8</u>	<u>891,059</u>
<u>\$ 6,581</u>	<u>\$ 101,226</u>	<u>\$ 696</u>	<u>\$ 18,160</u>	<u>\$ 8</u>	<u>\$ 939,837</u>

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2015

	<u>Insurance Proceeds</u>	<u>Unrestricted Capital Outlay</u>	<u>Adjacent Ways</u>
Revenues:			
Other local	\$ 13,908	\$ 11,979	\$ 629
Property taxes		52,693	
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>13,908</u>	<u>64,672</u>	<u>629</u>
Expenditures:			
Current -			
Operation and maintenance of plant services	9,630		
Student transportation services	5,273		
Capital outlay	2,006	2,640,948	51,752
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures	<u>16,909</u>	<u>2,640,948</u>	<u>51,752</u>
Excess (deficiency) of revenues over expenditures	<u>(3,001)</u>	<u>(2,576,276)</u>	<u>(51,123)</u>
Other financing sources (uses):			
Transfers in			
Transfers out		(2,200,000)	
Total other financing sources (uses):		<u>(2,200,000)</u>	
Changes in fund balances	<u>(3,001)</u>	<u>(4,776,276)</u>	<u>(51,123)</u>
Fund balances, beginning of year	136,232	5,306,907	164,805
Fund balances, end of year	<u>\$ 133,231</u>	<u>\$ 530,631</u>	<u>\$ 113,682</u>

<u>Gifts and Donations - Capital</u>	<u>Energy and Water Savings</u>	<u>Emergency Deficiencies Correction</u>	<u>Building Renewal</u>	<u>Building Renewal Grant</u>	<u>New School Facilities</u>
\$ 25	\$ 101,261	\$	\$ 9	\$	\$ 5
		4,207		134,081	
<u>25</u>	<u>208,299</u> <u>309,560</u>	<u>4,207</u>	<u>9</u>	<u>134,081</u>	<u>5</u>
	1,281,983	4,207		134,394	3,898
	303,078				
	<u>336,043</u>				
	<u>1,921,104</u>	<u>4,207</u>		<u>134,394</u>	<u>3,898</u>
<u>25</u>	<u>(1,611,544)</u>		<u>9</u>	<u>(313)</u>	<u>(3,893)</u>
	430,714				
	<u>430,714</u>				
<u>25</u>	<u>(1,180,830)</u>		<u>9</u>	<u>(313)</u>	<u>(3,893)</u>
6,556	1,282,056		687	5,317	3,901
<u>\$ 6,581</u>	<u>\$ 101,226</u>	<u>\$</u>	<u>\$ 696</u>	<u>\$ 5,004</u>	<u>\$ 8</u>

(Continued)

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2015

	Totals
Revenues:	
Other local	\$ 127,816
Property taxes	52,693
State aid and grants	138,288
Federal aid, grants and reimbursements	208,299
Total revenues	527,096
Expenditures:	
Current -	
Operation and maintenance of plant services	9,630
Student transportation services	5,273
Capital outlay	4,119,188
Debt service -	
Principal retirement	303,078
Interest and fiscal charges	336,043
Total expenditures	4,773,212
Excess (deficiency) of revenues over expenditures	(4,246,116)
Other financing sources (uses):	
Transfers in	430,714
Transfers out	(2,200,000)
Total other financing sources (uses):	(1,769,286)
Changes in fund balances	(6,015,402)
Fund balances, beginning of year	6,906,461
Fund balances, end of year	\$ 891,059

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CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2015

	Insurance Proceeds		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 13,908	\$ 13,908
Property taxes			
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u> </u>	<u>13,908</u>	<u>13,908</u>
Expenditures:			
Current -			
Operation and maintenance of plant services	121,231	9,630	111,601
Student transportation services	10,000	5,273	4,727
Capital outlay	5,000	2,006	2,994
Debt service -			
Principal retirement			
Interest and fiscal charges			
Bond issuance costs			
Total expenditures	<u>136,231</u>	<u>16,909</u>	<u>119,322</u>
Excess (deficiency) of revenues over expenditures	<u>(136,231)</u>	<u>(3,001)</u>	<u>133,230</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Issuance of school improvement bonds			
Premium on sale of bonds			
Total other financing sources (uses):	<u> </u>	<u> </u>	<u> </u>
Changes in fund balances	<u>(136,231)</u>	<u>(3,001)</u>	<u>133,230</u>
Fund balances, beginning of year		136,232	136,232
Fund balances (deficits), end of year	<u>\$ (136,231)</u>	<u>\$ 133,231</u>	<u>\$ 269,462</u>

Unrestricted Capital Outlay			Adjacent Ways		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 11,979 52,693	\$ 11,979 52,693	\$	\$ 629	\$ 629
	<u>64,672</u>	<u>64,672</u>		<u>629</u>	<u>629</u>
3,500,039	2,640,948	859,091	164,804	51,752	113,052
<u>3,500,039</u>	<u>2,640,948</u>	<u>859,091</u>	<u>164,804</u>	<u>51,752</u>	<u>113,052</u>
<u>(3,500,039)</u>	<u>(2,576,276)</u>	<u>923,763</u>	<u>(164,804)</u>	<u>(51,123)</u>	<u>113,681</u>
	(2,200,000)	(2,200,000)			
	<u>(2,200,000)</u>	<u>(2,200,000)</u>			
<u>(3,500,039)</u>	<u>(4,776,276)</u>	<u>(1,276,237)</u>	<u>(164,804)</u>	<u>(51,123)</u>	<u>113,681</u>
	5,306,907	5,306,907		164,805	164,805
<u>\$ (3,500,039)</u>	<u>\$ 530,631</u>	<u>\$ 4,030,670</u>	<u>\$ (164,804)</u>	<u>\$ 113,682</u>	<u>\$ 278,486</u>

(Continued)

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2015

	Bond Building		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 46,812	\$ 46,812
Property taxes			
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	_____	46,812	46,812
Expenditures:			
Current -			
Operation and maintenance of plant services			
Student transportation services			
Capital outlay	8,754,195	5,391,533	3,362,662
Debt service -			
Principal retirement	1,122,733	1,122,733	
Interest and fiscal charges	22,006	22,006	
Bond issuance costs	300,000	292,133	7,867
Total expenditures	10,198,934	6,828,405	3,370,529
Excess (deficiency) of revenues over expenditures	(10,198,934)	(6,781,593)	3,417,341
Other financing sources (uses):			
Transfers in			
Transfers out		(747,641)	(747,641)
Issuance of school improvement bonds		20,000,000	20,000,000
Premium on sale of bonds		947,485	947,485
Total other financing sources (uses):	_____	20,199,844	20,199,844
Changes in fund balances	(10,198,934)	13,418,251	23,617,185
Fund balances, beginning of year		10,198,934	10,198,934
Fund balances (deficits), end of year	\$ (10,198,934)	\$ 23,617,185	\$ 33,816,119

Gifts and Donations - Capital

Energy and Water Savings

Gifts and Donations - Capital			Energy and Water Savings		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 25	\$ 25	\$	\$ 101,261	\$ 101,261
				208,299	208,299
	25	25		309,560	309,560
6,556		6,556	439,121	1,281,983	(842,862)
			100,000	303,078	(203,078)
			100,000	336,043	(236,043)
6,556		6,556	639,121	1,921,104	(1,281,983)
(6,556)	25	6,581	(639,121)	(1,611,544)	(972,423)
				430,714	430,714
				430,714	430,714
(6,556)	25	6,581	(639,121)	(1,180,830)	(541,709)
	6,556	6,556		1,282,056	1,282,056
\$ (6,556)	\$ 6,581	\$ 13,137	\$ (639,121)	\$ 101,226	\$ 740,347

(Continued)

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2015

	Emergency Deficiencies Correction		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
Property taxes			
State aid and grants		4,207	4,207
Federal aid, grants and reimbursements			
Total revenues		4,207	4,207
Expenditures:			
Current -			
Operation and maintenance of plant services			
Student transportation services			
Capital outlay		4,207	(4,207)
Debt service -			
Principal retirement			
Interest and fiscal charges			
Bond issuance costs			
Total expenditures		4,207	(4,207)
Excess (deficiency) of revenues over expenditures			
Other financing sources (uses):			
Transfers in			
Transfers out			
Issuance of school improvement bonds			
Premium on sale of bonds			
Total other financing sources (uses):			
Changes in fund balances			
Fund balances, beginning of year			
Fund balances (deficits), end of year	\$	\$	\$

Building Renewal			Building Renewal Grant		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 9	\$ 9	\$	\$	\$
				134,081	134,081
	<u>9</u>	<u>9</u>		<u>134,081</u>	<u>134,081</u>
			1,596,467	134,394	1,462,073
			<u>1,596,467</u>	<u>134,394</u>	<u>1,462,073</u>
	<u>9</u>	<u>9</u>	<u>(1,596,467)</u>	<u>(313)</u>	<u>1,596,154</u>
	<u>9</u>	<u>9</u>	<u>(1,596,467)</u>	<u>(313)</u>	<u>1,596,154</u>
	687	687		5,317	5,317
<u>\$</u>	<u>\$ 696</u>	<u>\$ 696</u>	<u>\$ (1,596,467)</u>	<u>\$ 5,004</u>	<u>\$ 1,601,471</u>

(Continued)

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2015

	New School Facilities		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 5	\$ 5
Property taxes			
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	5	5	5
Expenditures:			
Current -			
Operation and maintenance of plant services			
Student transportation services			
Capital outlay	3,898	3,898	
Debt service -			
Principal retirement			
Interest and fiscal charges			
Bond issuance costs			
Total expenditures	3,898	3,898	
Excess (deficiency) of revenues over expenditures	(3,898)	(3,893)	5
Other financing sources (uses):			
Transfers in			
Transfers out			
Issuance of school improvement bonds			
Premium on sale of bonds			
Total other financing sources (uses):			
Changes in fund balances	(3,898)	(3,893)	5
Fund balances, beginning of year		3,901	3,901
Fund balances (deficits), end of year	\$ (3,898)	\$ 8	\$ 3,906

Totals		
Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 174,628	\$ 174,628
	52,693	52,693
	138,288	138,288
	208,299	208,299
	<u>573,908</u>	<u>573,908</u>
121,231	9,630	111,601
10,000	5,273	4,727
14,470,080	9,510,721	4,959,359
1,222,733	1,425,811	(203,078)
122,006	358,049	(236,043)
300,000	292,133	7,867
<u>16,246,050</u>	<u>11,601,617</u>	<u>4,644,433</u>
<u>(16,246,050)</u>	<u>(11,027,709)</u>	<u>5,218,341</u>
	430,714	430,714
	(2,947,641)	(2,947,641)
	20,000,000	20,000,000
	947,485	947,485
	<u>18,430,558</u>	<u>18,430,558</u>
<u>(16,246,050)</u>	<u>7,402,849</u>	<u>23,648,899</u>
	17,105,395	17,105,395
<u>\$ (16,246,050)</u>	<u>\$ 24,508,244</u>	<u>\$ 40,754,294</u>

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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 withholdings held temporarily by the District as an agent before the monies are remitted to the appropriate entities.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2015

	Student Activities	Employee Insurance	Totals
<u>ASSETS</u>			
Cash and investments	\$ 215,854	\$ 2,606,153	\$ 2,822,007
Total assets	\$ 215,854	\$ 2,606,153	\$ 2,822,007
 <u>LIABILITIES</u>			
Accounts payable	\$ 13,617	\$	\$ 13,617
Deposits held for others		2,606,153	2,606,153
Due to student groups	202,237		202,237
Total liabilities	\$ 215,854	\$ 2,606,153	\$ 2,822,007

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS
YEAR ENDED JUNE 30, 2015

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<u>STUDENT ACTIVITIES FUND</u>				
<u>Assets</u>				
Cash and investments	\$ 167,600	\$ 716,676	\$ 668,422	\$ 215,854
Total assets	<u>\$ 167,600</u>	<u>\$ 716,676</u>	<u>\$ 668,422</u>	<u>\$ 215,854</u>
<u>Liabilities</u>				
Accounts payable	\$	\$ 13,617	\$	\$ 13,617
Due to student groups	<u>167,600</u>	<u>703,059</u>	<u>668,422</u>	<u>202,237</u>
Total liabilities	<u>\$ 167,600</u>	<u>\$ 716,676</u>	<u>\$ 668,422</u>	<u>\$ 215,854</u>
<u>EMPLOYEE INSURANCE FUND</u>				
<u>Assets</u>				
Cash and investments	\$ 3,152,114	\$ 3,515,075	\$ 4,061,036	\$ 2,606,153
Total assets	<u>\$ 3,152,114</u>	<u>\$ 3,515,075</u>	<u>\$ 4,061,036</u>	<u>\$ 2,606,153</u>
<u>Liabilities</u>				
Deposits held for others	<u>\$ 3,152,114</u>	<u>\$ 3,515,075</u>	<u>\$ 4,061,036</u>	<u>\$ 2,606,153</u>
Total liabilities	<u>\$ 3,152,114</u>	<u>\$ 3,515,075</u>	<u>\$ 4,061,036</u>	<u>\$ 2,606,153</u>
<u>TOTAL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash and investments	\$ 3,319,714	\$ 4,231,751	\$ 4,729,458	\$ 2,822,007
Total assets	<u>\$ 3,319,714</u>	<u>\$ 4,231,751</u>	<u>\$ 4,729,458</u>	<u>\$ 2,822,007</u>
<u>Liabilities</u>				
Accounts payable	\$	\$ 13,617	\$	\$ 13,617
Deposits held for others	3,152,114	3,515,075	4,061,036	2,606,153
Due to student groups	<u>167,600</u>	<u>703,059</u>	<u>668,422</u>	<u>202,237</u>
Total liabilities	<u>\$ 3,319,714</u>	<u>\$ 4,231,751</u>	<u>\$ 4,729,458</u>	<u>\$ 2,822,007</u>

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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.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Net Position:					
Net investment in capital assets	\$ 84,788,379	\$ 85,689,325	\$ 87,340,508	\$ 86,565,632	\$ 81,392,706
Restricted	5,812,548	12,257,340	4,619,247	7,026,159	8,697,770
Unrestricted	(27,192,271)	6,151,768	10,440,823	11,851,487	13,991,000
Total net position	\$ 63,408,656	\$ 104,098,433	\$ 102,400,578	\$ 105,443,278	\$ 104,081,476
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Net Position:					
Net investment in capital assets	\$ 82,695,319	\$ 83,899,258	\$ 76,743,730	\$ 67,908,754	\$ 61,244,311
Restricted	6,914,046	6,826,450	6,800,174	5,992,608	3,765,438
Unrestricted	16,917,449	9,855,686	14,912,053	16,550,639	14,103,159
Total net position	\$ 106,526,814	\$ 100,581,394	\$ 98,455,957	\$ 90,452,001	\$ 79,112,908

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

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Expenses					
Instruction	\$ 24,539,091	\$ 24,083,445	\$ 24,402,957	\$ 22,609,472	\$ 27,258,529
Support services - students and staff	5,385,973	5,545,312	5,519,931	5,270,036	5,526,270
Support services - administration	4,253,191	4,075,563	3,868,766	5,671,842	2,569,937
Operation and maintenance of plant services	4,886,525	5,305,320	5,084,398	4,724,547	6,092,260
Student transportation services	2,872,223	2,847,787	2,985,503	2,769,862	3,355,883
Operation of non-instructional services	3,631,070	3,369,983	3,162,555	3,362,694	3,588,770
Interest on long-term debt	846,350	926,059	1,006,517	1,061,841	806,300
Total expenses	<u>46,414,423</u>	<u>46,153,469</u>	<u>46,030,627</u>	<u>45,470,294</u>	<u>49,197,949</u>
Program Revenues					
Charges for services:					
Instruction	1,001,878	1,433,699	1,809,580	1,408,395	1,587,002
Operation of non-instructional services	3,162,850	2,936,880	2,944,027	2,969,077	3,039,572
Other activities	105,294	214,835	443,324	440,805	140,580
Operating grants and contributions	3,416,831	2,651,294	2,705,693	2,959,398	3,745,223
Capital grants and contributions	384,423	110,830	211,063	311,128	470,124
Total program revenues	<u>8,071,276</u>	<u>7,347,538</u>	<u>8,113,687</u>	<u>8,088,803</u>	<u>8,982,501</u>
Net (Expense)/Revenue	<u>\$ (38,343,147)</u>	<u>\$ (38,805,931)</u>	<u>\$ (37,916,940)</u>	<u>\$ (37,381,491)</u>	<u>\$ (40,215,448)</u>

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Expenses					
Instruction	\$ 24,218,697	\$ 25,554,479	\$ 26,172,038	\$ 24,826,055	\$ 25,370,642
Support services - students and staff	4,610,392	5,378,073	5,804,590	5,154,723	4,678,515
Support services - administration	3,994,509	4,270,244	4,567,274	3,957,809	3,621,172
Operation and maintenance of plant services	5,321,697	5,332,736	5,130,171	5,149,602	4,239,912
Student transportation services	2,650,721	2,860,786	2,670,253	3,092,090	2,482,858
Operation of non-instructional services	3,715,304	5,123,549	5,237,479	4,859,130	4,097,917
Interest on long-term debt	908,053	1,121,003	1,428,239	1,785,109	1,498,184
Total expenses	<u>45,419,373</u>	<u>49,640,870</u>	<u>51,010,044</u>	<u>48,824,518</u>	<u>45,989,200</u>
Program Revenues					
Charges for services:					
Instruction	1,614,694	25,825	16,391	162,713	308,573
Operation of non-instructional services	2,910,151	4,559,814	4,595,806	4,625,911	4,091,804
Other activities	237,268	258,392	246,915	77,707	112,659
Operating grants and contributions	3,004,844	2,734,467	2,506,379	1,857,064	2,211,846
Capital grants and contributions	203,173	141,256	74,818	55,519	41,921
Total program revenues	<u>7,970,130</u>	<u>7,719,754</u>	<u>7,440,309</u>	<u>6,778,914</u>	<u>6,766,803</u>
Net (Expense)/Revenue	<u>\$ (37,449,243)</u>	<u>\$ (41,921,116)</u>	<u>\$ (43,569,735)</u>	<u>\$ (42,045,604)</u>	<u>\$ (39,222,397)</u>

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

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Net (Expense)/Revenue	\$ (38,343,147)	\$ (38,805,931)	\$ (37,916,940)	\$ (37,381,491)	\$ (40,215,448)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	26,009,058	23,245,478	23,878,926	22,195,393	24,844,302
Property taxes, levied for debt service	1,844,559	1,820,848	1,891,924	1,767,767	687,777
Property taxes, levied for capital outlay		4,944,590	213,867	470,542	2,441,772
Investment income	93,414	84,004	91,540	135,756	282,423
Unrestricted state aid	9,291,807	9,418,340	8,671,356	14,019,011	9,425,595
Unrestricted federal aid	70,303	76,156	126,627	154,824	88,241
Special item:					
Gain of sale on land		914,370			
Total general revenues and special item	<u>37,309,141</u>	<u>40,503,786</u>	<u>34,874,240</u>	<u>38,743,293</u>	<u>37,770,110</u>
Changes in Net Position	<u>\$ (1,034,006)</u>	<u>\$ 1,697,855</u>	<u>\$ (3,042,700)</u>	<u>\$ 1,361,802</u>	<u>\$ (2,445,338)</u>

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Net (Expense)/Revenue	\$ (37,449,243)	\$ (41,921,116)	\$ (43,569,735)	\$ (42,045,604)	\$ (39,222,397)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	30,756,300	30,360,104	27,153,387	26,782,663	22,158,989
Property taxes, levied for debt service	870,876	1,890,045	11,539,887	14,052,492	11,085,438
Property taxes, levied for capital outlay	1,588,644	1,266,855	1,291,269	2,031,833	832,066
Investment income	322,325	857,957	1,365,090	1,192,289	668,542
Unrestricted state aid	8,835,126	9,671,592	10,224,058	9,325,420	9,806,517
Total general revenues	<u>42,373,271</u>	<u>44,046,553</u>	<u>51,573,691</u>	<u>53,384,697</u>	<u>44,551,552</u>
Changes in Net Position	<u>\$ 4,924,028</u>	<u>\$ 2,125,437</u>	<u>\$ 8,003,956</u>	<u>\$ 11,339,093</u>	<u>\$ 5,329,155</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)

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
General Fund:					
Nonspendable	\$ 737,513	\$ 786,540	\$ 816,049	\$ 2,054,180	\$ 2,028,127
Unassigned	4,945,744	483,980	3,241,699	3,930,470	7,003,866
Total General Fund	<u>\$ 5,683,257</u>	<u>\$ 1,270,520</u>	<u>\$ 4,057,748</u>	<u>\$ 5,984,650</u>	<u>\$ 9,031,993</u>
All Other Governmental Funds:					
Nonspendable	\$ 23,795	\$ 10,082	\$ 25,140	\$ 22,605	\$ 10,635
Restricted	29,339,413	21,275,225	14,810,771	17,156,740	23,442,833
Unassigned			(9,571)	(58,038)	(11,032)
Total all other governmental funds	<u>\$ 29,363,208</u>	<u>\$ 21,285,307</u>	<u>\$ 14,826,340</u>	<u>\$ 17,121,307</u>	<u>\$ 23,442,436</u>

(Continued)

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Fund:					
Reserved	943,229	246,551	207,064	163,346	154,224
Unreserved	5,225,465	1,189,467	(160,139)	596,618	(125,411)
Total General Fund	<u>\$ 6,168,694</u>	<u>\$ 1,436,018</u>	<u>\$ 46,925</u>	<u>\$ 759,964</u>	<u>\$ 28,813</u>
All Other Governmental Funds:					
Reserved	11,240	16,842	16,461	24,701	11,631
Unreserved, reported in:					
Special revenue funds	3,360,910	2,842,154	3,663,349	3,790,852	3,691,260
Capital projects funds	18,359,276	17,256,173	17,239,361	18,433,462	5,432,647
Debt service fund	1,285,697	3,325,368	3,719,082	2,858,240	1,248,183
Total all other governmental funds	<u>\$ 23,017,123</u>	<u>\$ 23,440,537</u>	<u>\$ 24,638,253</u>	<u>\$ 25,107,255</u>	<u>\$ 10,383,721</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.

(Concluded)

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Federal sources:					
Federal grants	\$ 1,829,311	\$ 1,680,750	\$ 1,907,464	\$ 2,523,625	\$ 2,200,696
State Fiscal Stabilization (ARRA)					88,421
Education Jobs			42,576		1,137,722
National School Lunch Program	346,734	373,130	335,646	355,380	341,867
Total federal sources	<u>2,176,045</u>	<u>2,053,880</u>	<u>2,285,686</u>	<u>2,879,005</u>	<u>3,768,706</u>
State sources:					
State equalization assistance	7,137,986	7,260,464	6,276,607	6,790,404	8,224,807
State grants	234,141	226,635	236,203	269,092	206,318
School Facilities Board	138,288	10,759	502,253	5,404,944	18,465
Other revenues	2,153,821	2,157,876	1,892,496	1,683,552	1,509,760
Total state sources	<u>9,664,236</u>	<u>9,655,734</u>	<u>8,907,559</u>	<u>14,147,992</u>	<u>9,959,350</u>
Local sources:					
Property taxes	28,023,207	29,200,643	25,615,021	24,359,425	28,319,662
Food service sales	1,283,892	1,208,929	1,216,766	1,204,436	1,360,349
Investment income	93,414	200,275	91,540	133,569	288,126
Other revenues	4,340,061	3,706,068	4,566,129	3,968,922	3,736,000
Total local sources	<u>33,740,574</u>	<u>34,315,915</u>	<u>31,489,456</u>	<u>29,666,352</u>	<u>33,704,137</u>
Total revenues	<u><u>\$ 45,580,855</u></u>	<u><u>\$ 46,025,529</u></u>	<u><u>\$ 42,682,701</u></u>	<u><u>\$ 46,693,349</u></u>	<u><u>\$ 47,432,193</u></u>

(Continued)

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Federal sources:					
Federal grants	\$ 2,096,599	\$ 1,561,990	\$ 1,621,704	\$ 1,292,832	\$ 1,841,034
National School Lunch Program	341,383	243,156	200,015	207,288	187,459
Total federal sources	<u>3,459,374</u>	<u>1,805,146</u>	<u>1,821,719</u>	<u>1,500,120</u>	<u>2,028,493</u>
State sources:					
State equalization assistance	7,495,936	7,055,819	7,096,055	6,559,187	5,318,758
State grants	349,514	687,585	488,498	364,457	329,937
School Facilities Board	76,362		156,903	291,008	2,206,559
Other revenues	1,629,730	1,930,412	3,021,674	2,473,327	2,281,200
Total state sources	<u>9,551,542</u>	<u>9,673,816</u>	<u>10,763,130</u>	<u>9,687,979</u>	<u>10,136,454</u>
Local sources:					
Property taxes	31,035,587	31,623,925	39,523,769	43,068,812	33,774,315
Food service sales	1,344,519	1,461,798	1,433,947	1,296,946	1,253,058
Investment income	322,325	859,713	1,365,983	1,192,289	668,542
Other revenues	3,821,017	3,706,761	3,694,447	3,571,283	3,324,368
Total local sources	<u>36,523,448</u>	<u>37,652,197</u>	<u>46,018,146</u>	<u>49,129,330</u>	<u>39,020,283</u>
Total revenues	<u>\$ 49,534,364</u>	<u>\$ 49,131,159</u>	<u>\$ 58,602,995</u>	<u>\$ 60,317,429</u>	<u>\$ 51,185,230</u>

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

(Concluded)

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Expenditures:					
Current -					
Instruction	\$ 19,986,473	\$ 19,956,474	\$ 19,309,760	\$ 20,127,052	\$ 22,690,299
Support services - students and staff	5,226,143	5,309,677	5,085,447	5,292,987	5,126,342
Support services - administration	3,953,603	3,724,938	3,498,506	3,865,296	4,176,561
Operation and maintenance of plant services	4,648,657	5,034,582	4,906,431	5,065,308	5,414,750
Student transportation services	2,448,312	2,518,723	2,450,771	2,468,730	2,763,286
Operation of non-instructional services	3,454,690	3,211,608	3,026,254	3,306,450	3,307,130
Capital outlay	10,245,661	4,689,365	4,659,288	13,722,180	5,046,206
Debt service -					
Judgments against the district					
Interest and fiscal charges	868,266	926,059	1,006,517	1,061,841	806,300
Principal retirement	2,890,811	1,687,166	1,726,000	1,190,000	1,085,000
Bond issuance costs	477,018				
Total expenditures	<u>\$ 54,199,634</u>	<u>\$ 47,058,592</u>	<u>\$ 45,668,974</u>	<u>\$ 56,099,844</u>	<u>\$ 50,415,874</u>
Expenditures for capitalized assets	\$ 9,263,742	\$ 3,359,683	\$ 2,688,108	\$ 12,339,474	\$ 2,786,695
Debt service as a percentage of noncapital expenditures	9%	6%	6%	5%	4%

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Expenditures:					
Current -					
Instruction	\$ 20,848,688	\$ 22,267,546	\$ 22,719,991	\$ 20,945,265	\$ 20,189,359
Support services - students and staff	4,638,348	5,327,745	5,711,886	5,112,003	4,571,909
Support services - administration	3,812,313	3,767,994	3,996,180	3,973,626	3,566,992
Operation and maintenance of plant services	5,689,178	5,197,839	5,039,423	4,565,519	3,867,420
Student transportation services	2,368,863	2,356,392	2,335,010	2,342,231	1,998,254
Operation of non-instructional services	3,381,642	4,774,262	4,929,451	4,694,177	4,069,046
Capital outlay	2,019,093	1,834,314	3,070,947	4,793,248	16,049,274
Debt service -					
Judgments against the district					
Interest and fiscal charges	908,053	1,121,003	1,428,239	1,868,623	1,482,934
Principal retirement	2,250,000	2,242,292	10,589,387	11,995,993	10,190,665
Bond issuance costs				139,524	75,816
Total expenditures	<u>\$ 45,916,178</u>	<u>\$ 48,889,387</u>	<u>\$ 59,820,514</u>	<u>\$ 60,430,209</u>	<u>\$ 66,061,669</u>
Expenditures for capitalized assets	\$ 1,059,912	\$ 621,681	\$ 1,334,792	\$ 2,584,825	\$ 12,626,470
Debt service as a percentage of noncapital expenditures	7%	7%	21%	24%	22%

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

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
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>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Excess (deficiency) of revenues over expenditures	\$ (8,618,779)	\$ (1,033,063)	\$ (2,986,273)	\$ (9,406,495)	\$ (2,983,681)
Other financing sources (uses):					
General obligation bonds issued	20,000,000				
Issuance of refunding bonds	11,125,000				
Premium on sale of bonds	1,851,969				
Capital lease agreements		3,834,999			5,188,000
Transfers in	3,461,409	1,788,048	688,461	151,699	134,447
Transfers out	(3,461,409)	(1,788,048)	(688,461)	(151,699)	(134,447)
Proceeds from sale of capital asset		914,370			
Payment to refunded bond escrow agent	(11,832,238)				
Total other financing sources (uses)	21,144,731	4,749,369			5,188,000
Changes in fund balances	\$ 12,525,952	\$ 3,716,306	\$ (2,986,273)	\$ (9,406,495)	\$ 2,204,319
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Excess (deficiency) of revenues over expenditures	\$ 3,618,186	\$ 241,772	\$ (1,217,519)	\$ (112,780)	\$ (14,876,439)
Other financing sources (uses):					
General obligation bonds issued				15,000,000	5,000,000
Premium on sale of bonds				223,038	60,566
Capital lease agreements				322,235	
Transfers in	165,512	337,246	549,495	575,005	168,340
Transfers out	(165,512)	(337,246)	(549,495)	(575,005)	(168,340)
Total other financing sources (uses)	165,512	(337,246)	(549,495)	15,545,273	5,060,566
Changes in fund balances	\$ 3,618,186	\$ 241,772	\$ (1,217,519)	\$ 15,432,493	\$ (9,815,873)

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

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
PRIMARY ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Commercial, Industrial, Utilities and Mining	\$ 128,377,990	\$ 129,589,031	\$ 148,541,165	\$ 161,806,837	\$ 193,700,776
Agricultural and Vacant	167,369,418	168,124,347	207,142,253	304,082,380	468,547,673
Residential (Owner Occupied)	941,931,021	972,673,961	1,204,211,137	1,280,523,293	1,579,253,405
Residential (Rental)	<u>388,267,882</u>	<u>291,595,722</u>	<u>56,081,436</u>	<u>61,756,765</u>	<u>71,960,350</u>
Total	<u>\$ 1,625,946,311</u>	<u>\$ 1,561,983,061</u>	<u>\$ 1,615,975,991</u>	<u>\$ 1,808,169,275</u>	<u>\$ 2,313,462,204</u>
Estimated Actual Value (Full Cash Value)	\$ 16,122,265,355	\$ 15,070,782,027	\$ 15,513,735,011	\$ 16,848,581,775	\$ 22,100,245,210
Ratio of Primary Assessed Value to Estimated Actual Value	10%	10%	10%	11%	10%
Total Direct Rate	2.35	2.36	1.98	1.69	1.58

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Commercial, Industrial, Utilities and Mining	\$ 184,884,114	\$ 174,373,153	\$ 140,859,175	\$ 126,007,670	\$ 119,393,856
Agricultural and Vacant	480,214,688	415,305,541	274,946,316	247,733,804	225,512,314
Residential (Owner Occupied)	1,661,516,032	1,478,422,716	1,011,117,089	878,440,734	798,068,087
Residential (Rental)	<u>68,081,955</u>	<u>60,480,107</u>	<u>46,938,124</u>	<u>33,332,452</u>	<u>22,997,384</u>
Total	<u>\$ 2,394,696,789</u>	<u>\$ 2,128,581,517</u>	<u>\$ 1,473,860,704</u>	<u>\$ 1,285,514,660</u>	<u>\$ 1,165,971,641</u>
Estimated Actual Value (Full Cash Value)	\$ 25,943,331,475	\$ 25,433,321,027	\$ 17,096,143,785	\$ 12,469,310,229	\$ 11,346,523,066
Ratio of Primary Value to Estimated Actual Value	9%	8%	9%	10%	10%
Total Direct Rate	1.77	1.90	2.40	3.76	3.31

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

Note: The primary assessed value generates revenues for general District operations.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
SECONDARY ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Commerical, Industrial, Utilities and Mining	\$ 130,170,349	\$ 129,774,897	\$ 148,735,143	\$ 162,670,323	\$ 217,271,880
Agricultural and Vacant	191,468,121	182,799,970	211,706,707	312,529,276	548,998,306
Residential (Owner Occupied)	964,394,201	974,832,815	1,206,087,128	1,282,114,979	1,595,525,926
Residential (Rental)	<u>399,273,186</u>	<u>292,071,068</u>	<u>56,161,567</u>	<u>61,877,244</u>	<u>73,744,535</u>
Total	<u>\$ 1,685,305,857</u>	<u>\$ 1,579,478,750</u>	<u>\$ 1,622,690,545</u>	<u>\$ 1,819,191,822</u>	<u>\$ 2,435,540,647</u>
Ratio of Secondary Assessed Value to Estimated Actual Value	10%	10%	10%	11%	11%
Total Direct Rate	2.35	2.36	1.98	1.69	1.58

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Commerical, Industrial, Utilities and Mining	\$ 225,518,934	\$ 210,164,471	\$ 162,388,761	\$ 147,088,399	\$ 129,833,451
Agricultural and Vacant	730,773,303	625,909,916	381,516,356	337,097,986	281,462,718
Residential (Owner Occupied)	1,845,108,603	1,879,318,907	1,295,074,392	903,876,941	854,126,917
Residential (Rental)	<u>78,869,001</u>	<u>80,554,238</u>	<u>68,069,251</u>	<u>35,551,700</u>	<u>25,160,872</u>
Total	<u>\$ 2,880,269,841</u>	<u>\$ 2,795,947,532</u>	<u>\$ 1,907,048,760</u>	<u>\$ 1,423,615,026</u>	<u>\$ 1,290,583,958</u>
Ratio of Secondary Assessed Value to Estimated Actual Value	11%	11%	11%	11%	11%
Total Direct Rate	1.77	1.90	2.40	3.76	3.31

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

Note: The secondary assessed value generates revenues to service District bonded debt requirements and other voter-approved overrides.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
PROPERTY TAX ASSESSMENT RATIOS
LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Commercial, Industrial, Utilities and Mining	19 %	20 %	20 %	20 %	21 %
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	16	15	15	15	17

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Commercial, Industrial, Utilities and Mining	22 %	23 %	24 %	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	18	20	21	22	21

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.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Overlapping Rates									District Direct Rates		
	State Equalization	County	Tatum Ranch Community Facilities District	Flood Control District	Community College District	Central Arizona Water	City of Phoenix	City of Scottsdale	Primary	Secondary	Total	
2015	0.51	1.32	1.04	0.14	1.52	0.14	1.82	1.24	2.24	0.11	2.35	
2014	0.51	1.28	1.04	0.14	1.53	0.14	1.82	1.29	2.18	0.18	2.36	
2013	0.47	1.24	0.63	0.18	1.38	0.10	1.82	1.23	1.74	0.24	1.98	
2012	0.43	1.24	0.63	0.18	1.21	0.10	1.82	1.09	1.41	0.28	1.69	
2011	0.36	1.05	0.63	0.15	0.97	0.10	1.82	0.90	1.40	0.18	1.58	
2010	0.33	0.99	0.63	0.14	0.88	0.10	1.82	0.74	1.60	0.17	1.77	
2009	0.00	1.03	0.63	0.14	0.94	0.10	1.82	0.79	1.69	0.21	1.90	
2008	0.00	1.10	0.71	0.15	0.15	0.10	1.82	0.79	1.75	0.65	2.40	
2007	0.00	1.18	1.10	0.20	0.18	0.12	1.82	0.97	2.52	1.24	3.76	
2006	0.00	1.20	1.31	0.21	1.03	0.12	1.82	1.04	2.19	1.12	3.31	

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

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<u>Taxpayer</u>	<u>2015</u>		<u>2006</u>	
	<u>Secondary Assessed Valuation</u>	<u>Percentage of District's Net Assessed Valuation</u>	<u>Secondary Assessed Valuation</u>	<u>Percentage of District's Net Assessed Valuation</u>
Arizona Public Service Company	\$ 110,160,954	6.54	% \$ 64,572,100	5.00 %
Century Link	13,889,614	0.82		
VHS of Phoenix, Inc	7,126,584	0.42	7,486,870	0.58
Canyon Corporate Plaza Properties L	6,475,000	0.38		
PDG America Properties LLC	5,967,462	0.35		
M2 Phoenix 1222 LLC	5,599,129	0.33		
Southwest Gas Corp.	5,106,249	0.30	11,757,640	0.91
Bay Pacific Phoenix Coporate Center	4,482,470	0.27		
Granite Black Canyon Holdings LLC	3,812,609	0.23		
CRP Holdings San Valiente LLC	2,556,945	0.15		
Qwest			40,658,270	3.15
TP Racing LLP			10,908,230	0.85
Metrocenter Associates LLC			9,363,100	0.73
Metropolitan Life Insurance Company			8,813,090	0.68
Transwestern Phoenix Corporate Center			7,195,450	0.56
Metrorising Ams Owner LLC			6,900,380	0.53
Bell Towne Centre Associates LLC			6,240,060	0.48
Total	<u>\$ 165,177,016</u>	<u>9.80 %</u>	<u>\$ 90,078,580</u>	<u>6.98 %</u>

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

Note: Information is presented County-wide.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
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
2015	\$ 35,103,893	\$ 32,134,883	91.54 %	\$	\$ 32,134,883	91.54 %
2014	36,888,261	33,829,532	91.71	3,048,500	36,878,032	99.97
2013	31,838,024	29,299,375	92.03	2,538,384	31,837,759	100.00
2012	30,677,099	28,018,145	91.33	1,988,610	30,006,755	97.81
2011	36,772,529	34,356,950	93.43	2,413,556	36,770,506	99.99
2010	39,132,503	33,472,334	85.54	3,024,894	36,497,228	93.27
2009	39,698,231	35,676,380	89.87	3,389,479	39,065,859	98.41
2008	47,329,890	44,882,870	94.83	2,446,002	47,328,872	100.00
2007	50,104,894	47,891,589	95.58	2,212,345	50,103,934	100.00
2006	39,904,534	37,754,996	94.61	2,147,969	39,902,965	100.00

Source: The source of this information is the Maricopa 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.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
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	
2015	\$ 33,750,000	\$ 844,664	\$ 32,905,336	0.20 %	\$ 568	\$ 6,569,022	\$ 40,319,022	0.25 %	\$ 679	N/A %	
2014	14,975,000	207,463	14,767,537	0.10	252	7,994,833	22,969,833	0.14	387	0.02	
2013	16,175,000	213,406	15,961,594	0.10	286	4,622,000	20,797,000	0.13	367	0.01	
2012	17,325,000	172,981	17,152,019	0.10	312	5,148,000	22,473,000	0.14	404	0.02	
2011	18,410,000	238,406	18,171,594	0.08	338	5,188,000	23,598,000	0.15	434	0.02	
2010	20,660,000	2,250,000	18,410,000	0.07	383		20,660,000	0.13	383	0.01	
2009	22,795,000	2,135,000	20,660,000	0.08	412		22,795,000	0.14	412	0.02	
2008	33,075,000	10,280,000	22,795,000	0.13	606	107,792	33,182,792	0.21	608	0.03	
2007	44,615,000	11,540,000	33,075,000	0.27	897	416,679	45,031,679	0.28	905	0.04	
2006	39,450,000	9,835,000	29,615,000	0.26	825	550,437	40,000,437	0.25	836	0.04	

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

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

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2015**

<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:			
Maricopa County Community College District	\$ 654,190,000	4.80 %	31,401,120
Tatum Ranch Community Facilities District	3,455,000	100.00	3,455,000
City of Phoenix	1,495,776,179	1.92	28,718,903
City of Scottsdale	619,065,000	20.55	127,217,858
Subtotal, Overlapping Debt			<u>190,792,881</u>
Direct:			
Cave Creek Unified School District No. 93			<u>33,750,000</u>
Total Direct and Overlapping Governmental Activities Debt			<u>\$ 224,542,881</u>

DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Secondary Assessed Valuation		1.95 %
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 3,767	
As a Percentage of Net Secondary Assessed Valuation		13.27 %
As a Percentage of Estimated Actual Value (Full Cash Value)		1.39 %

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.

Note: 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.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

Class B Bond Legal Debt Margin Calculation for Fiscal Year 2015:

Secondary assessed valuation	\$ 1,685,305,857
Debt limit (20% of assessed value)	168,530,586
Debt applicable to limit	<u>33,750,000</u>
Legal debt margin	<u>\$ 134,780,586</u>

Total Legal Debt Margin Calculation for Fiscal Year 2015:

Secondary assessed valuation	\$ 1,685,305,857
Debt limit (30% of assessed value)	505,591,757
Debt applicable to limit	<u>33,750,000</u>
Legal debt margin	<u>\$ 471,841,757</u>

Fiscal Year Ended June 30

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Debt Limit	\$ 505,591,757	\$	\$ 484,792,797	\$ 545,757,547	\$ 730,662,194
Total net debt applicable to limit	<u>33,750,000</u>	<u>14,975,000</u>	<u>16,175,000</u>	<u>17,325,000</u>	<u>18,410,000</u>
Legal debt margin	<u>\$ 471,841,757</u>	<u>\$ (14,975,000)</u>	<u>\$ 468,617,797</u>	<u>\$ 528,432,547</u>	<u>\$ 712,252,194</u>
Total net debt applicable to the limit as a percentage of debt limit	7%	#DIV/0!	3%	3%	3%

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Debt Limit	\$ 864,080,952	\$ 838,784,260	\$ 572,114,628	\$ 427,084,508	\$ 387,175,187
Total net debt applicable to limit	<u>20,660,000</u>	<u>22,795,000</u>	<u>33,075,000</u>	<u>44,615,000</u>	<u>39,450,000</u>
Legal debt margin	<u>\$ 843,420,952</u>	<u>\$ 815,989,260</u>	<u>\$ 539,039,628</u>	<u>\$ 382,469,508</u>	<u>\$ 347,725,187</u>
Total net debt applicable to the limit as a percentage of debt limit	2%	3%	6%	10%	10%

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.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS**

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands)</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>	<u>Estimated District Population</u>
2014	4,008,651	\$ N/A	\$ N/A	5.1 %	59,379
2013	4,009,412	147,700,000	27,552	6.2	59,380
2012	3,824,058	147,374,500	38,238	9.1	56,645
2011	3,843,370	142,864,275	37,352	8.4	55,616
2010	3,817,117	142,091,618	35,319	8.5	54,400
2009	4,023,331	147,122,078	37,168	8.3	54,000
2008	3,987,942	139,665,253	36,135	4.9	55,285
2007	3,907,492	132,423,154	35,046	3.2	54,570
2006	3,792,675	120,716,738	33,178	3.5	49,746
2005	3,648,545	111,103,576	31,757	4.1	47,821

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 2005 through 2010 is the University of Arizona, Eller College of Management, Economic and Business Research Center. For 2011 through 2014, the source of the information is the Arizona Office of Employment and Population Statistics.

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

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<u>Employer</u>	<u>2015</u>		<u>2006</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
State of Arizona	49,800	2.71 %	49,958	2.61 %
Wal-Mart Stores Inc.	30,634	1.67	28,246	1.47
Banner Health Systems	24,825	1.35	19,250	1.00
City of Phoenix	15,100	0.82	13,844	0.72
Wells Fargo Company	13,308	0.72	11,553	0.60
Bank of America	13,300	0.72		
Maricopa County	12,792	0.70	13,002	0.68
Raytheon Co.	11,500	0.63		
Arizona State University	11,185	0.61	11,202	0.58
Apollo Group Inc.	11,000	0.60		
Honeywell			10,700	0.56
Intel Corp.			10,100	0.53
U.S. Postal Service			11,000	0.57
Total	<u>193,444</u>	<u>10.53 %</u>	<u>178,855</u>	<u>9.32 %</u>
Total employment	<u>1,836,600</u>		<u>1,916,003</u>	

Source: The source of this information is The Business Journal Book of Lists.

Note: Information is presented County-wide.

CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS

	Full-time Equivalent Employees as of June 30				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Supervisory					
Consultants/supervisors of instruction	6	6	7	7	7
Principals	7	7	7	7	7
Assistant principals	3	3	3	3	3
Total supervisory	<u>16</u>	<u>16</u>	<u>17</u>	<u>17</u>	<u>17</u>
Instruction					
Teachers	263	264	268	284	282
Other teachers (adult)	14	14	14	18	14
Other professionals (instructional)	30	29	30	27	28
Aides	72	75	84	82	70
Total instruction	<u>379</u>	<u>382</u>	<u>396</u>	<u>411</u>	<u>394</u>
Student Services					
Librarians	2	3	3	3	3
Transportation/Bus Drivers/Bus Aides	46	47	48	49	49
Technicians	13	13	15	14	15
Total student services	<u>61</u>	<u>63</u>	<u>66</u>	<u>66</u>	<u>67</u>
Support and Administration					
Support staff and administration	200	198	172	176	205
Total support and administration	<u>200</u>	<u>198</u>	<u>172</u>	<u>176</u>	<u>205</u>
Total	<u><u>656</u></u>	<u><u>659</u></u>	<u><u>651</u></u>	<u><u>670</u></u>	<u><u>683</u></u>

(Continued)

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS**

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Supervisory					
Consultants/supervisors of instruction	7	6	7	7	6
Principals	7	8	8	8	8
Assistant principals	3	5	5	5	5
Total supervisory	<u>17</u>	<u>19</u>	<u>20</u>	<u>20</u>	<u>19</u>
Instruction					
Teachers	298	295	307	299	297
Other teachers (adult)	16	14	16	15	13
Other professionals (instructional)	22	26	31	30	29
Aides	62	67	74	71	63
Total instruction	<u>398</u>	<u>402</u>	<u>428</u>	<u>415</u>	<u>402</u>
Student Services					
Librarians	5	8	8	8	8
Transportation/Bus Drivers/Bus Aides	44	54	55	53	46
Technicians	13	15	20	18	16
Total student services	<u>62</u>	<u>77</u>	<u>83</u>	<u>79</u>	<u>70</u>
Support and Administration					
Support staff and administration	171	163	165	156	150
Total support and administration	<u>171</u>	<u>163</u>	<u>165</u>	<u>156</u>	<u>150</u>
Total	<u><u>648</u></u>	<u><u>661</u></u>	<u><u>696</u></u>	<u><u>670</u></u>	<u><u>641</u></u>

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

(Concluded)

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
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
2015	5,220	\$ 39,717,878	\$ 7,609	0.44 %	\$ 46,414,423	\$ 8,892	1.10 %	263	19.8	9.0 %
2014	5,248	39,756,002	7,575	6.48	46,153,469	8,794	2.79	264	19.9	10.2
2013	5,380	38,277,169	7,115	(1.26)	46,030,627	8,556	4.79	268	20.1	10.5
2012	5,569	40,125,823	7,205	(7.53)	45,470,294	8,165	(7.39)	284	19.6	13.1
2011	5,580	43,478,368	7,792	7.51	49,197,949	8,817	9.12	282	19.8	12.5
2010	5,621	40,739,032	7,248	(5.12)	45,419,373	8,080	(6.89)	298	18.9	11.6
2009	5,720	43,691,778	7,638	(3.47)	49,640,870	8,678	(3.82)	295	19.4	6.8
2008	5,653	44,731,941	7,913	7.23	51,010,044	9,024	4.27	307	18.4	4.9
2007	5,642	41,632,821	7,379	6.26	48,824,518	8,654	3.68	299	18.9	6.1
2006	5,510	38,262,980	6,944	13.10	45,989,200	8,346	11.74	297	18.6	6.3

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

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

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93
CAPITAL ASSETS INFORMATION
LAST TEN FISCAL YEARS**

	Fiscal Year Ended June 30									
	<u>2015</u>	<u>2014</u>	<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>Schools</u>										
Elementary										
Buildings	41	38	38	40	40	40	40	40	40	40
Square feet	455,915	368,023	368,023	383,307	383,307	383,307	383,307	383,307	383,307	383,307
Capacity	4,349	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900
Enrollment	2,892	3,267	3,267	3,267	3,219	2,783	2,786	2,740	2,774	2,792
Middle										
Buildings	26	19	19	19	19	19	19	19	19	24
Square feet	214,623	214,623	214,623	214,623	214,623	214,623	214,623	214,623	214,623	204,791
Capacity	2,315	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Enrollment	851	814	814	814	828	1,320	1,403	1,399	1,402	1,386
High										
Buildings	22	21	21	20	20	20	20	20	20	20
Square feet	241,239	241,430	235,439	197,047	197,047	197,047	197,047	197,047	197,047	197,047
Capacity	2,062	1,856	1,856	1,450	1,450	1,450	1,450	1,450	1,450	1,450
Enrollment	1,687	1,703	1,703	1,703	1,785	1,757	1,756	1,726	1,662	1,573
Other										
Buildings	5	8	8	5	5	5	5	5	5	5
Square feet	42,875	48,635	48,635	42,875	42,875	42,875	42,875	42,875	42,875	42,875
<u>Administrative</u>										
Buildings	3	2	2	3	3	3	3	3	3	3
Square feet	5,760	15,284	15,284	5,760	5,760	5,760	5,760	5,760	5,760	5,760
<u>Transportation</u>										
Garages	1	1	1	1	1	1	1	1	1	1
Buses	59	56	56	56	56	56	56	56	56	56
<u>Athletics</u>										
Football fields	1	1	1	1	1	1	1	1	1	1
Soccer fields	1	1	1	1	1	1	1	1	1	1
Running tracks	1	1	1	1	1	1	1	1	1	1
Baseball/softball	16	16	16	16	16	16	16	16	16	16
Playgrounds	10	10	10	10	10	10	10	10	10	10

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