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# **CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93**

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## **Comprehensive Annual Financial Report**

Fiscal Year Ended June 30, 2014



**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93**

**CAVE CREEK, ARIZONA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

Issued by:  
Operations and Finance Department

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93**

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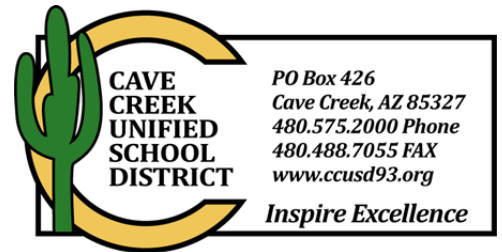
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## **INTRODUCTORY SECTION**



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December 15, 2014

Citizens and Governing Board  
Cave Creek Unified School District No. 93  
33016 North 60<sup>th</sup> 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, 2014.

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, 2014, 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, 2014, 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 5,420 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 2013-14 the combined tax rate in the District has decreased 63%. 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 recent 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 14<sup>th</sup> in land area. The County's 2013 population was estimated at 4,009,412 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 53% 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 7 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, 2013. This was the seventeenth 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, 2013. 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, 2014 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.

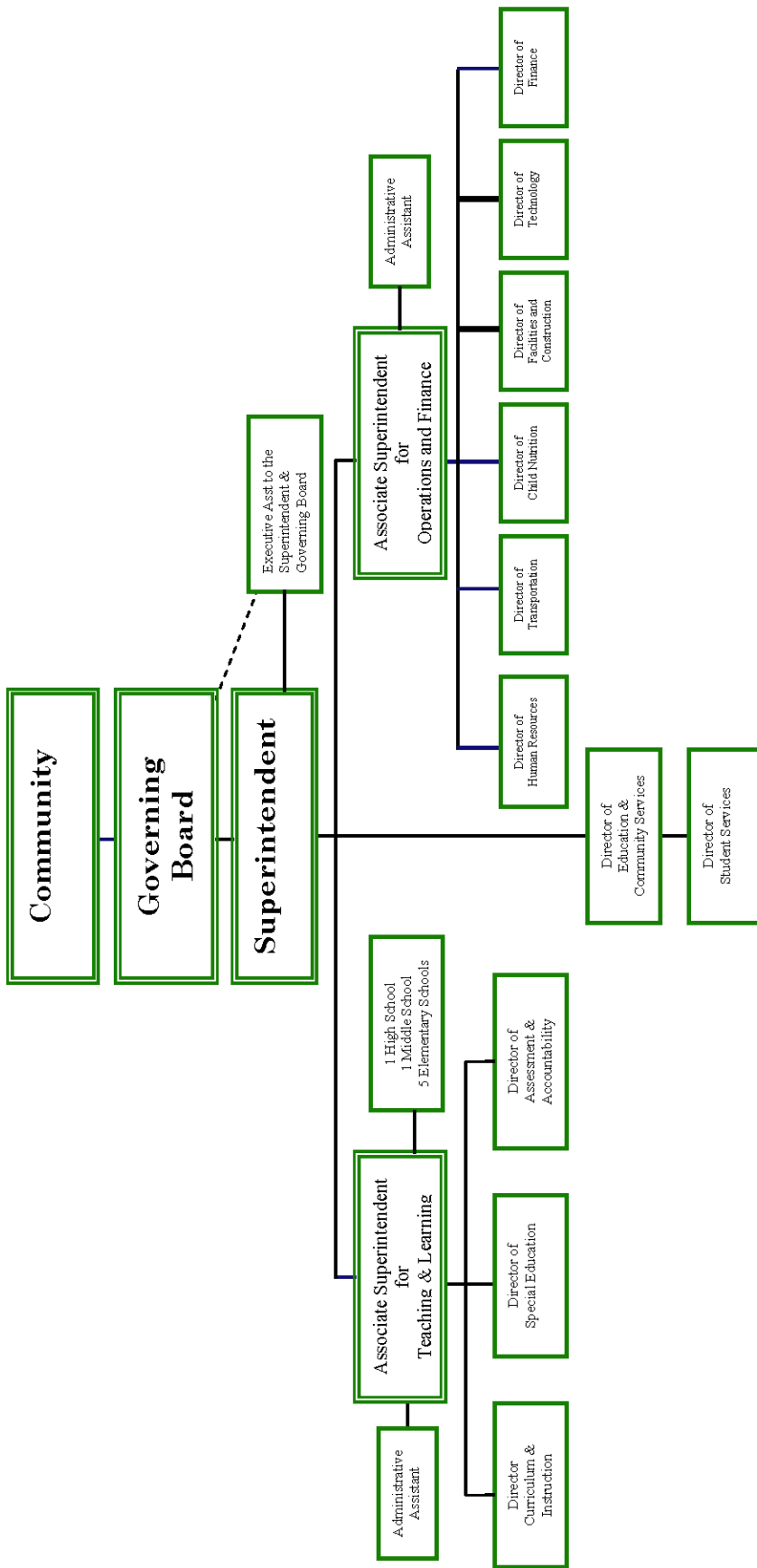
Respectfully submitted,



Debbi Burdick, Ed.D.  
Superintendent



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



**Cave Creek Unified School District  
Organization Chart  
2013-2014**

# 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, 2013*

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



A handwritten signature in black ink, reading "Terrie S. Simmons".

Terrie S. Simmons, RSBA, CSBO  
President

A handwritten signature in black ink, reading "John D. Musso".

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, 2013**

Executive Director/CEO

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93**

**LIST OF PRINCIPAL OFFICIALS**

**GOVERNING BOARD**

David Schaefer  
President

Karen Tuffs  
Vice President

Susan Clancy  
Member

Janet Busbee  
Member

Stephanie Reese  
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, 2014, 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, 2014, 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. 65, *Items Previously Reported as Assets and Liabilities*, for the year ended June 30, 2014, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 14 and budgetary comparison information on pages 50 and 51 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2014, 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

December 15, 2014

**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, 2014**

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, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**FINANCIAL HIGHLIGHTS**

- The District's total net position of governmental activities increased \$1.7 million, which represents a 2 percent increase from the prior fiscal year.
- General revenues accounted for \$39.6 million in revenue, or 84 percent of all current fiscal year revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$7.3 million or 16 percent of total current fiscal year revenues.
- The District had approximately \$46.2 million in expenses related to governmental activities, an increase of less than 1 percent from the prior fiscal year.
- Among major funds, the General Fund had \$30.5 million in current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$32.7 million in expenditures. The General Fund's fund balance decreased from \$4.1 million at the prior fiscal year end to \$1.3 million at the end of the current fiscal year that can be attributed primarily to the closeout of a discontinued fund and an overall increase in expenditures of 5 percent.

**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, 2014**

**OVERVIEW OF FINANCIAL STATEMENTS (Cont'd)**

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

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

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

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into 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, 2014**

**OVERVIEW OF FINANCIAL STATEMENTS (Concl'd)**

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

**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 exceeded liabilities by \$104.1 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, 2014**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)**

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

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2014 and June 30, 2013.

	As of <u>June 30, 2014</u>	As of <u>June 30, 2013</u>
Current and other assets	\$ 33,018,159	\$ 27,855,155
Capital assets, net	<u>97,337,491</u>	<u>97,883,245</u>
Total assets	<u>130,355,650</u>	<u>125,738,400</u>
Current and other liabilities	2,283,838	1,728,998
Long-term liabilities	<u>23,973,379</u>	<u>21,608,824</u>
Total liabilities	<u>26,257,217</u>	<u>23,337,822</u>
Net position:		
Net investment in capital assets	85,689,325	87,340,508
Restricted	12,257,340	4,619,247
Unrestricted	<u>6,151,768</u>	<u>10,440,823</u>
Total net position	<u>\$ 104,098,433</u>	<u>\$ 102,400,578</u>

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

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2014**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)**

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.

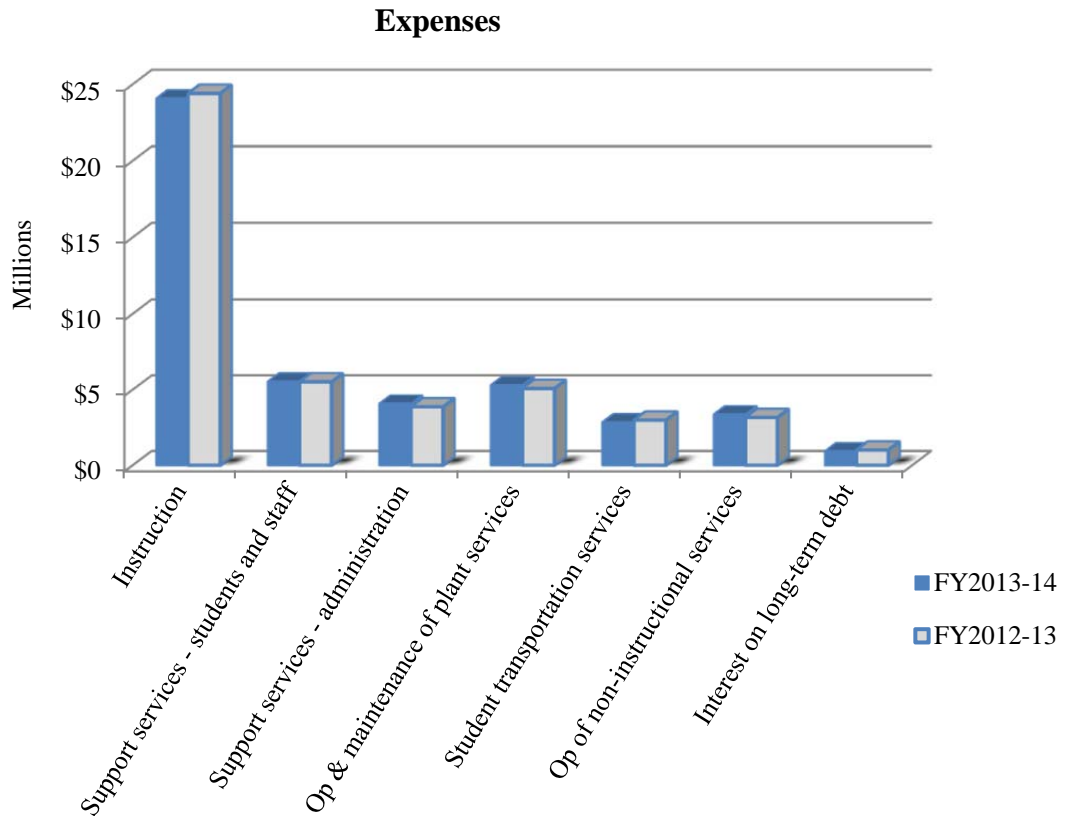
- The principal retirement of \$1.2 million of bonds.
- The addition of \$3.4 million in capital assets primarily due to District wide solar energy upgrades and upgrades to the Cactus Shadows High School cafeteria.

**Changes in net position.** The District's total revenues for the current fiscal year were \$46.9 million. The total cost of all programs and services was \$46.2 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2014 and June 30, 2013.

	Fiscal Year Ended June 30, 2014	Fiscal Year Ended June 30, 2013
<b>Revenues:</b>		
Program revenues:		
Charges for services	\$ 4,585,414	\$ 5,196,931
Operating grants and contributions	2,651,294	2,705,693
Capital grants and contributions	110,830	211,063
General revenues:		
Property taxes	30,010,916	25,984,717
Investment income	84,004	91,540
Unrestricted state aid	9,418,340	8,671,356
Unrestricted federal aid	76,156	126,627
<b>Total revenues</b>	<b>46,936,954</b>	<b>42,987,927</b>
<b>Expenses:</b>		
Instruction	24,083,445	24,402,957
Support services – students and staff	5,545,312	5,519,931
Support services – administration	4,075,563	3,868,766
Operation and maintenance of plant services	5,305,320	5,084,398
Student transportation services	2,847,787	2,985,503
Operation of non-instructional services	3,369,983	3,162,555
Interest on long-term debt	926,059	1,006,517
<b>Total expenses</b>	<b>46,153,469</b>	<b>46,030,627</b>
<b>Special item</b> – gain on sale of land	914,370	
<b>Changes in net position</b>	<b>1,697,855</b>	<b>(3,042,700)</b>
<b>Net position, beginning</b>	<b>102,400,578</b>	<b>105,443,278</b>
<b>Net position, ending</b>	<b>\$ 104,098,433</b>	<b>\$ 102,400,578</b>

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2014**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)**



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

- Property tax revenues increased \$4.0 million from the prior year primarily due to an increase in property tax rates.
- Net position was increased by \$914,370 due to the sale of land owned by the District.

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, 2014**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Concl'd)**

	Year Ended June 30, 2014		Year Ended June 30, 2013	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 24,083,445	\$ (21,274,538)	\$ 24,402,957	\$ (21,089,585)
Support services – students and staff	5,545,312	(4,854,094)	5,519,931	(4,711,657)
Support services – administration	4,075,563	(4,075,563)	3,868,766	(3,865,263)
Operation and maintenance of plant services	5,305,320	(4,989,333)	5,084,398	(4,641,074)
Student transportation services	2,847,787	(2,842,067)	2,985,503	(2,983,648)
Operation of non-instructional services	3,369,983	(59,973)	3,162,555	117,212
Interest on long-term debt	926,059	(710,363)	1,006,517	(742,925)
<b>Total</b>	<b>\$ 46,153,469</b>	<b>\$ (38,805,931)</b>	<b>\$ 46,030,627</b>	<b>\$ (37,916,940)</b>

- The cost of all governmental activities this year was \$46.2 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$7.3 million.
- Net cost of governmental activities of \$38.8 million was financed by general revenues, which are made up of primarily property taxes of \$30.0 million and state aid of \$9.4 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 \$22.6 million, an increase of \$3.7 million, primarily due to the issuances of capital lease obligations.

The General Fund comprises 6 percent of the total fund balance. \$483,980 or 38 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, 2014**

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

The General Fund is the principal operating fund of the District. Fund balance decreased \$2.8 million to \$1.3 million at the end of the current fiscal year. Expenditures increased \$1.6 million as a result of reductions in grant funding with those services moved into the M&O fund, expiration of prior year pre-paid insurance from the M&O fund, and changes in operating costs including increased salaries and benefits for Regular Education, Special Education, Pupil Transportation and the K-3 Reading Program.

Fund balance of the Debt Service Fund decreased \$37,871 which was related to an increase in bonded debt payments.

Fund balance for the Unrestricted Capital Outlay Fund increased \$5.3 million primarily due to the increase in property taxes and state aid recorded in the fund.

Fund balance of the Bond Building Fund decreased \$55,329 which was insignificant.

**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 \$2.5 million increase, or 8 percent, primarily due to the increase in funding provided for District sponsored charter schools.

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 \$145.7 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 \$2.5 million from the prior fiscal year, primarily due to the start of projects including solar energy upgrades and cafeteria upgrades. Total depreciation expense for the current fiscal year was \$3.8 million.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2014**

**CAPITAL ASSETS AND DEBT ADMINISTRATION (Concl'd)**

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2014 and June 30, 2013.

	As of June 30, 2014	As of June 30, 2013
Capital assets – non-depreciable	\$ 20,619,574	\$ 19,208,306
Capital assets – depreciable, net	76,717,917	78,674,939
<b>Total</b>	<u>\$ 97,337,491</u>	<u>\$ 97,883,245</u>

The estimated costs to complete current construction projects is \$4.7 million.

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

**Debt Administration.** At year-end, the District had \$23.0 million in long-term debt outstanding, \$1.7 million due within one year. This represents a net increase of \$2.2 million.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 30 percent of the total secondary assessed valuation) and the statutory debt limit on Class B bonds (the greater of 20 percent of the secondary assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$473.8 million and the Class B debt limit is \$157.9 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 2014-15 budget. Among them:

- Fiscal year 2013-14 budget balance carry forward (estimated \$1.1 million).
- District student population (estimated 5,231).

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 \$289,745, or less than 1%, to \$31.9 million in fiscal year 2014-15. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2014-15 budget.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2014**

**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 60<sup>th</sup> 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, 2014**

	Governmental Activities
<b><u>ASSETS</u></b>	
Current assets:	
Cash and investments	\$ 22,335,486
Property taxes receivable	6,944,156
Accounts receivable	24,145
Deposits	49,538
Due from governmental entities	2,868,212
Prepaid items	433,785
Inventory	362,837
Total current assets	33,018,159
Noncurrent assets:	
Land	18,690,761
Land improvements	11,170,786
Buildings and improvements	107,292,068
Vehicles, furniture and equipment	6,632,858
Construction in progress	1,928,813
Accumulated depreciation	(48,377,795)
Total noncurrent assets	97,337,491
<b>Total assets</b>	<b>130,355,650</b>
<b><u>LIABILITIES</u></b>	
Current liabilities:	
Accounts payable	857,762
Construction contracts payable	445,221
Accrued payroll and employee benefits	598,899
Compensated absences payable	114,291
Accrued interest payable	330,313
Unearned revenues	51,643
Obligations under capital leases	481,239
Bonds payable	1,225,000
Total current liabilities	4,104,368
Noncurrent liabilities:	
Non-current portion of long-term obligations	22,152,849
Total noncurrent liabilities	22,152,849
<b>Total liabilities</b>	<b>26,257,217</b>
<b><u>NET POSITION</u></b>	
Net investment in capital assets	85,689,325
Restricted for:	
Voter approved initiatives	1,184,959
Federal and state projects	297,154
Food service	646,150
Civic center	488,686
Extracurricular activities	575,003
Other local initiatives	913,577
Debt service	207,463
Capital outlay	7,944,348
Unrestricted	6,151,768
<b>Total net position</b>	<b>\$ 104,098,433</b>

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, 2014**

<b>Functions/Programs</b>	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Governmental activities:</b>					
Instruction	\$ 24,083,445	\$ 1,433,699	\$ 1,264,378	\$ 110,830	\$ (21,274,538)
Support services - students and staff	5,545,312		691,218		(4,854,094)
Support services - administration	4,075,563				(4,075,563)
Operation and maintenance of plant services	5,305,320	214,835	101,152		(4,989,333)
Student transportation services	2,847,787		5,720		(2,842,067)
Operation of non-instructional services	3,369,983	2,936,880	373,130		(59,973)
Interest on long-term debt	926,059		215,696		(710,363)
<b>Total governmental activities</b>	<u>\$ 46,153,469</u>	<u>\$ 4,585,414</u>	<u>\$ 2,651,294</u>	<u>\$ 110,830</u>	<u>(38,805,931)</u>

**General revenues:**

Taxes:

Property taxes, levied for general purposes	23,245,478
Property taxes, levied for debt service	1,820,848
Property taxes, levied for capital outlay	4,944,590
Investment income	84,004
Unrestricted state aid	9,418,340
Unrestricted federal aid	76,156
<b>Special item - gain on sale of land</b>	<u>914,370</u>
<b>Total general revenues and special items</b>	<u>40,503,786</u>

**Changes in net position**

1,697,855

**Net position, beginning of year**

102,400,578

**Net position, end of year**

\$ 104,098,433

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, 2014**

	General	Debt Service	Unrestricted Capital Outlay
<b><u>ASSETS</u></b>			
Cash and investments	\$ 5,000	\$ 1,725,013	\$ 4,469,891
Property taxes receivable	5,868,506	37,763	1,037,887
Accounts receivable			
Deposits			
Due from governmental entities	2,143,323		380,342
Due from other funds			592,734
Prepaid items	433,785		
Inventory	352,755		
<b>Total assets</b>	<b>\$ 8,803,369</b>	<b>\$ 1,762,776</b>	<b>\$ 6,480,854</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 707,997	\$	\$ 59,016
Construction contracts payable			77,044
Due to other funds	592,734		
Accrued payroll and employee benefits	449,591		
Unearned revenues			
Bonds payable		1,225,000	
Bond interest payable		330,313	
<b>Total liabilities</b>	<b>1,750,322</b>	<b>1,555,313</b>	<b>136,060</b>
Deferred inflows of resources:			
Unavailable revenues - property taxes	5,782,527	31,928	1,037,887
Unavailable revenues - intergovernmental			
<b>Total deferred inflows of resources</b>	<b>5,782,527</b>	<b>31,928</b>	<b>1,037,887</b>
Fund balances:			
Nonspendable	786,540		
Restricted		175,535	5,306,907
Unassigned	483,980		
<b>Total fund balances</b>	<b>1,270,520</b>	<b>175,535</b>	<b>5,306,907</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <b>\$ 8,803,369</b>	 <b>\$ 1,762,776</b>	 <b>\$ 6,480,854</b>

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

<u>Bond Building</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 10,198,934	\$ 5,936,648	\$ 22,335,486
		6,944,156
	24,145	24,145
	49,538	49,538
	344,547	2,868,212
	129,531	722,265
		433,785
	10,082	362,837
<u>\$ 10,198,934</u>	<u>\$ 6,494,491</u>	<u>\$ 33,740,424</u>
\$	\$ 90,749	\$ 857,762
	368,177	445,221
	129,531	722,265
	149,308	598,899
	51,643	51,643
		1,225,000
		330,313
<u>_____</u>	<u>789,408</u>	<u>4,231,103</u>
		6,852,342
	101,152	101,152
<u>_____</u>	<u>101,152</u>	<u>6,953,494</u>
	10,082	796,622
10,198,934	5,593,849	21,275,225
		483,980
<u>10,198,934</u>	<u>5,603,931</u>	<u>22,555,827</u>
<u>\$ 10,198,934</u>	<u>\$ 6,494,491</u>	<u>\$ 33,740,424</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, 2014**

**Total governmental fund balances** **\$ 22,555,827**

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

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

Governmental capital assets	\$ 145,715,286	
Less accumulated depreciation	<u>(48,377,795)</u>	97,337,491

Some receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable revenues in the funds.

Property taxes	6,852,342	
Intergovernmental	<u>101,152</u>	6,953,494

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

Compensated absences payable	(1,003,546)	
Obligations under capital leases	(7,994,833)	
Bonds payable	<u>(13,750,000)</u>	<u>(22,748,379)</u>

**Net position of governmental activities** **\$ 104,098,433**

**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, 2014**

	General	Debt Service	Unrestricted Capital Outlay
<b>Revenues:</b>			
Other local	\$ 818,915	\$ 4,017	\$ 10,524
Property taxes	23,432,710	1,803,683	3,964,250
State aid and grants	6,166,771		1,093,693
Federal aid, grants and reimbursements	76,156		
<b>Total revenues</b>	<b>30,494,552</b>	<b>1,807,700</b>	<b>5,068,467</b>
<b>Expenditures:</b>			
Current -			
Instruction	16,244,175		
Support services - students and staff	4,458,551		
Support services - administration	3,708,548		
Operation and maintenance of plant services	4,958,598		
Student transportation services	2,474,413		
Operation of non-instructional services	111,100		
Capital outlay	707,559		2,190,401
Debt service -			
Principal retirement		1,225,000	200,166
Interest and fiscal charges		663,576	
<b>Total expenditures</b>	<b>32,662,944</b>	<b>1,888,576</b>	<b>2,390,567</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(2,168,392)</b>	<b>(80,876)</b>	<b>2,677,900</b>
<b>Other financing sources (uses):</b>			
Transfers in	120,673	43,005	1,315,679
Transfers out	(1,624,370)		
Capital lease agreements			1,322,899
Proceeds from sale of capital assets	914,370		
<b>Total other financing sources (uses):</b>	<b>(589,327)</b>	<b>43,005</b>	<b>2,638,578</b>
<b>Changes in fund balances</b>	<b>(2,757,719)</b>	<b>(37,871)</b>	<b>5,316,478</b>
<b>Fund balances (deficits), beginning of year</b>	<b>4,057,748</b>	<b>213,406</b>	<b>(9,571)</b>
Increase (decrease) in reserve for prepaid items	33,549		
Increase (decrease) in reserve for inventory	(63,058)		
<b>Fund balances (deficits), end of year</b>	<b>\$ 1,270,520</b>	<b>\$ 175,535</b>	<b>\$ 5,306,907</b>

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

<u>Bond Building</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 43,005	\$ 4,238,811	\$ 5,115,272
		29,200,643
	2,395,270	9,655,734
	1,977,724	2,053,880
<u>43,005</u>	<u>8,611,805</u>	<u>46,025,529</u>
	3,712,299	19,956,474
	851,126	5,309,677
	16,390	3,724,938
	75,984	5,034,582
	44,310	2,518,723
	3,100,508	3,211,608
55,329	1,736,076	4,689,365
	262,000	1,687,166
	262,483	926,059
<u>55,329</u>	<u>10,061,176</u>	<u>47,058,592</u>
<u>(12,324)</u>	<u>(1,449,371)</u>	<u>(1,033,063)</u>
	308,691	1,788,048
(43,005)	(120,673)	(1,788,048)
	2,512,100	3,834,999
		914,370
<u>(43,005)</u>	<u>2,700,118</u>	<u>4,749,369</u>
<u>(55,329)</u>	<u>1,250,747</u>	<u>3,716,306</u>
10,254,263	4,368,242	18,884,088
		33,549
	(15,058)	(78,116)
<u>\$ 10,198,934</u>	<u>\$ 5,603,931</u>	<u>\$ 22,555,827</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, 2014**

**Net changes in fund balances - total governmental funds**

Amounts reported for <i>governmental activities</i> in the Statement of Activities are different because:		3,671,739
<p>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.</p>		
Expenditures for capitalized assets	\$ 3,359,683	
Less current year depreciation	<u>(3,792,387)</u>	(432,704)
<p>Issuance of capital leases provide current financial resources to governmental funds, but the issuance increases long term liabilities in the Statement of Net Position.</p>		
		(3,834,999)
<p>Some revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Property taxes	810,273	
Intergovernmental	<u>101,152</u>	911,425
<p>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.</p>		
Capital lease principal retirement	462,166	
Bond principal retirement	<u>1,225,000</u>	1,687,166
<p>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.</p>		
Loss on disposal of assets	(113,050)	
Compensated absences	<u>(191,722)</u>	<u>(304,772)</u>
<b>Changes in net position in governmental activities</b>		<b><u><u>\$ 1,697,855</u></u></b>

**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, 2014**

	Agency
<b><u>ASSETS</u></b>	
Cash and investments	\$ 3,319,714
<b>Total assets</b>	<b>\$ 3,319,714</b>
<b><u>LIABILITIES</u></b>	
Deposits held for others	\$ 3,152,114
Due to student groups	167,600
<b>Total liabilities</b>	<b>\$ 3,319,714</b>

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, 2014**

**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, 2014, the District implemented the provisions of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. GASB Statement No. 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

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

**A. Reporting Entity**

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

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

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

The financial reporting entity consists of a primary government and its component units. A component unit is a legally separate entity that must be included in the reporting entity in conformity with generally accepted accounting principles. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Furthermore, there are no component units combined with the District for financial statement presentation 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, 2014**

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

**B. Government-Wide and Fund Financial Statements**

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes, unrestricted Federal 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, 2014**

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

**Fund Financial Statements** - Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service 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, 2014**

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

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

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

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

Additionally, the District reports the following fund 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.

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.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

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

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.

**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.

**G. Property Tax Calendar**

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

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

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

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

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

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

**H. Inventory**

All inventories are valued 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.

**J. Capital Assets**

Capital assets, which include land and improvements; buildings and improvements; vehicles, furniture, equipment; and construction in progress, are reported in the government-wide financial statements.

Capital assets are defined by the District as assets with an initial, individual cost in excess of \$5,000 and an estimated useful life of more than one year. Such assets are recorded at historical cost, or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at the estimated fair market value at the date of donation.

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



**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

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

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

Land improvements	20 - 25 years
Buildings and improvements	7 - 50 years
Vehicles, furniture and equipment	8 - 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. The District did not have any items that qualified for reporting in this category.

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. 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.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

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

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.

**N. 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.

**O. 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.

**P. Estimates**

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

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

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

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS (Cont'd)**

***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, 2014**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS (Concl'd)**

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

	General Fund	Debt Service Fund	Unrestricted Capital Outlay Fund	Bond Building Fund	Non-Major Governmental Funds
Fund Balances:					
Nonspendable:					
Prepaid items	\$ 433,785		\$	\$	\$
Inventory	352,755				10,082
Restricted:					
Debt service		175,535			
Capital projects			5,306,907		1,599,554
Bond building projects				10,198,934	
Voter approved initiatives					1,184,959
Federal projects					196,002
Food service					636,068
Civic center					488,686
Community school					327,794
Extracurricular activities					575,003
Gifts and donations					517,305
Other purposes					68,478
Unassigned	483,980				
Total fund balances	\$ 1,270,520	\$ 175,535	\$ 5,306,907	\$ 10,198,934	\$ 5,603,931

**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 \$3,210,344 and the bank balance was \$3,224,225. In addition, the District had \$2,973,059 of cash held with trustee. At year end, \$3,179,247 of the District's deposits were covered by collateral held by the pledging financial institution in the District's name, and \$2,723,059 was uninsured and uncollateralized.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

**NOTE 4 – CASH AND INVESTMENTS (Concl'd)**

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.

	Average Maturities	Fair Value
County Treasurer's investment pool	374 days	\$ 19,471,797
Total		\$ 19,471,797

*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.

	General Fund	Unrestricted Capital Outlay Fund	Non-Major Governmental Funds
Due from other governmental entities:			
Due from Federal government	\$	\$	\$ 252,431
Due from State government	2,143,323	380,342	92,116
Net due from governmental entities	\$ 2,143,323	\$ 380,342	\$ 344,547

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

**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	517,545	2,066,415	655,147	1,928,813
Total capital assets, not being depreciated	19,208,306	2,066,415	655,147	20,619,574
Capital assets, being depreciated:				
Land improvements	10,721,785	625,641	176,640	11,170,786
Buildings and improvements	106,676,661	1,237,000	621,593	107,292,068
Vehicles, furniture and equipment	6,594,676	85,774	47,592	6,632,858
Total capital assets being depreciated	123,993,122	1,948,415	845,825	125,095,712
Less accumulated depreciation for:				
Land improvements	(5,113,577)	(391,887)	(125,669)	(5,379,795)
Buildings and improvements	(35,296,983)	(2,985,131)	(561,593)	(37,720,521)
Vehicles, furniture and equipment	(4,907,623)	(415,369)	(45,513)	(5,277,479)
Total accumulated depreciation	(45,318,183)	(3,792,387)	(732,775)	(48,377,795)
Total capital assets, being depreciated, net	78,674,939	(1,843,972)	113,050	76,717,917
Governmental activities capital assets, net	\$ 97,883,245	\$ 222,443	\$ 768,197	\$ 97,337,491

Depreciation expense was charged to governmental functions as follows.

Instruction	\$ 3,116,995
Support services – students and staff	6,655
Support services – administration	177,561
Operation and maintenance of plant services	132,806
Student transportation services	253,290
Operation of non-instructional services	105,080
Total depreciation expense – governmental activities	<u>\$ 3,792,387</u>

**Construction Commitments** – At year end, the District had a contractual commitment for cafeteria upgrades and solar energy upgrades. At year end the District had spent \$1,928,813 on the projects and had estimated contractual commitments of \$4,699,475. These projects are being funded with monies provided by the Unrestricted Capital Outlay Fund and the Energy and Water Savings Fund, a non-major capital projects fund.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

**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	\$	\$ 2,180,000	\$ 2,180,000	\$

**NOTE 8 – OBLIGATIONS UNDER CAPITAL LEASES**

The District has acquired energy efficiency upgrades and replacements and solar energy upgrades under the provisions of long-term lease agreements classified as capital leases. The District also entered into a capital lease obligation for school buses that were received in the subsequent fiscal year. 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 \$215,696 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. Revenues from the Unrestricted Capital Outlay Fund are used to pay the bus capital lease obligation.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

**NOTE 8 – OBLIGATIONS UNDER CAPITAL LEASES (Concl'd)**

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

	Governmental Activities
Asset:	
Buildings and improvements	\$ 5,026,311
Construction in progress	1,210,148
Less: Accumulated depreciation	208,741
Total	\$ 6,027,718

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.

	Governmental Activities
Year Ending June 30:	
2015	\$ 839,288
2016	982,971
2017	977,349
2018	961,088
2019	956,681
2020-24	3,891,055
2025-29	1,794,904
2030	48,491
Total minimum lease payments	10,451,827
Less: amount representing interest	2,456,994
Present value of minimum lease payments	7,994,833
Due within one year	\$ 481,239



**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

**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, 2014	Due Within One Year
<b>Governmental activities:</b>					
School Improvement Bonds, Project 2000, Series B (Class B 2006)	\$ 5,000,000	4.0-5.0%	7/1/14-23	\$ 4,175,000	\$ 325,000
School Improvement Bonds, Project 2000, Series C (Class B 2006)	15,000,000	4.0-4.75%	7/1/14-23	10,800,000	900,000
Total				<u>\$ 14,975,000</u>	<u>\$ 1,225,000</u>

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

Year ending June 30:	Governmental Activities	
	Principal	Interest
2015	\$ 1,225,000	\$ 635,001
2016	1,275,000	582,485
2017	1,350,000	526,906
2018	1,400,000	469,718
2019	1,450,000	411,687
2020-24	8,275,000	1,015,268
Total	<u>\$ 14,975,000</u>	<u>\$ 3,641,065</u>

**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
<b>Governmental activities:</b>					
Bonds payable	\$ 16,175,000	\$	\$ 1,200,000	\$ 14,975,000	\$ 1,225,000
Obligations under capital leases	4,622,000	3,834,999	462,166	7,994,833	481,239
Compensated absences payable	811,824	553,205	361,483	1,003,546	114,291
Governmental activity long-term liabilities	<u>\$ 21,608,824</u>	<u>\$ 4,388,204</u>	<u>\$ 2,023,649</u>	<u>\$ 23,973,379</u>	<u>\$ 1,820,530</u>

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

**NOTE 11 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

At year end, interfund balances were as follows.

**Due to/from other funds:**

	Unrestricted Capital Outlay Fund	Non-Major Governmental Funds	Total Due to Other Funds
General Fund	\$ 592,734	\$	\$ 592,734
Non-Major Governmental Funds		129,531	129,531
Total Due from Other Funds	<u>\$ 592,734</u>	<u>\$ 129,531</u>	<u>\$ 722,265</u>

At year end, several funds had negative cash balances in the Treasurer’s pooled cash accounts. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with the Unrestricted Capital Outlay Fund and the E-Rate Fund, a non-major special revenue fund.

**Interfund transfers:**

	Transfers in				Total
	General Fund	Debt Service Fund	Unrestricted Capital Outlay Fund	Non-Major Governmental Funds	
Transfers out					
General Fund	\$	\$	\$ 1,315,679	\$ 308,691	\$ 1,624,370
Bond Building Fund		43,005			43,005
Non-Major Governmental Funds	120,673				120,673
Total	<u>\$ 120,673</u>	<u>\$ 43,005</u>	<u>\$ 1,315,679</u>	<u>\$ 308,691</u>	<u>\$ 1,788,048</u>

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 and (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), and (4) move cash balances remaining in a discontinued fund to the Unrestricted Capital Outlay Fund.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

**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.

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

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

**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, 2014**

**NOTE 13 – RISK MANAGEMENT (Concl'd)**

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**

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

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

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

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

**NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (Concl'd)**

**Funding Policy** – The Arizona State Legislature establishes and may amend active plan members’ and the District’s contribution rates. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.54 percent (11.30 percent for retirement and 0.24 percent for long-term disability) of the members’ annual covered payroll and the District was required by statute to contribute at the actuarially determined rate of 11.54 percent (10.70 percent for retirement, 0.60 percent for health insurance premium, and 0.24 percent for long-term disability) of the members’ annual covered payroll.

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

	Retirement Fund	Health Benefit Supplement Fund	Long-Term Disability Fund
Years ended June 30,			
2014	\$ 2,515,877	\$ 141,077	\$ 56,431
2013	2,304,958	146,168	53,970
2012	2,246,429	143,389	54,624

**NOTE 15 – NEW ACCOUNTING PRONOUNCEMENT**

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* will be effective for the District’s June 30, 2015 fiscal year end. This Statement replaces the requirements of prior GASB standards for pensions accounting and reporting. 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. Each employer participating in a multiple-employer defined benefit pension plan will be required to record a liability representing their “proportionate share” of the plan’s total net pension liability. This Statement also enhances accountability and transparency through revised note disclosures and new required supplementary information.

**NOTE 16 – SUBSEQUENT EVENTS**

On November 4, 2014, the District’s voters authorized the issuance of \$30.0 million of Class B general bonds for renovations and improvements to existing school facilities, student transportation, and administrative renovations and improvements. The voters also authorized the repurposing of a previously authorized bond program to renovations and improvements of existing school and administrative facilities.

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
(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, 2014**

	<u>Budgeted Amounts</u>		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Other local	\$	\$	\$ 92,133	\$ 92,133
Property taxes			23,432,710	23,432,710
State aid and grants			6,166,771	6,166,771
<b>Total revenues</b>			<u>29,691,614</u>	<u>29,691,614</u>
<b>Expenditures:</b>				
Current -				
Instruction	14,657,545	16,209,463	15,648,660	560,803
Support services - students and staff	3,982,518	4,525,051	4,348,767	176,284
Support services - administration	3,538,645	3,788,677	3,665,088	123,589
Operation and maintenance of plant services	5,021,941	5,176,238	4,914,560	261,678
Student transportation services	2,488,771	2,419,931	2,409,698	10,233
Operation of non-instructional services	62,959	83,525	83,282	243
<b>Total expenditures</b>	<u>29,752,379</u>	<u>32,202,885</u>	<u>31,070,055</u>	<u>1,132,830</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(29,752,379)</u>	<u>(32,202,885)</u>	<u>(1,378,441)</u>	<u>30,824,444</u>
<b>Other financing sources (uses):</b>				
Transfers out			(308,691)	(308,691)
<b>Total other financing sources (uses):</b>			<u>(308,691)</u>	<u>(308,691)</u>
<b>Changes in fund balances</b>	<u>(29,752,379)</u>	<u>(32,202,885)</u>	<u>(1,687,132)</u>	<u>30,515,753</u>
<b>Fund balances, beginning of year</b>			1,590,815	1,590,815
Increase (decrease) in reserve for prepaid items			33,549	33,549
Increase (decrease) in reserve for inventory			(63,058)	(63,058)
<b>Fund balances (deficits), end of year</b>	<u>\$ (29,752,379)</u>	<u>\$ (32,202,885)</u>	<u>\$ (125,826)</u>	<u>\$ 32,077,059</u>

See accompanying notes to this schedule.

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93**  
**NOTE TO REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2014**

**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</u> <u>Expenditures</u>	<u>Fund Balances</u> <u>End of Year</u>
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	\$ 32,662,944	\$ 1,270,520
Activity budgeted as special revenue funds	<u>(1,592,889)</u>	<u>(1,396,346)</u>
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	<u>\$ 31,070,055</u>	<u>\$ (125,826)</u>



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**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, 2014**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Fund</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 3,968,917	\$ 1,967,731	\$ 5,936,648
Accounts receivable	24,145		24,145
Deposits	49,538		49,538
Due from governmental entities	344,547		344,547
Due from other funds	129,531		129,531
Inventory	10,082		10,082
<b>Total assets</b>	<b><u>\$ 4,526,760</u></b>	<b><u>\$ 1,967,731</u></b>	<b><u>\$ 6,494,491</u></b>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 90,749	\$	\$ 90,749
Construction contracts payable		368,177	368,177
Due to other funds	129,531		129,531
Accrued payroll and employee benefits	149,308		149,308
Unearned revenues	51,643		51,643
<b>Total liabilities</b>	<b><u>421,231</u></b>	<b><u>368,177</u></b>	<b><u>789,408</u></b>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>101,152</u>		<u>101,152</u>
Fund balances:			
Nonspendable	10,082		10,082
Restricted	3,994,295	1,599,554	5,593,849
<b>Total fund balances</b>	<b><u>4,004,377</u></b>	<b><u>1,599,554</u></b>	<b><u>5,603,931</u></b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b><u>\$ 4,526,760</u></b>	<b><u>\$ 1,967,731</u></b>	<b><u>\$ 6,494,491</u></b>

**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, 2014**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b>Revenues:</b>			
Other local	\$ 4,227,795	\$ 11,016	\$ 4,238,811
State aid and grants	2,384,511	10,759	2,395,270
Federal aid, grants and reimbursements	1,762,028	215,696	1,977,724
<b>Total revenues</b>	<u>8,374,334</u>	<u>237,471</u>	<u>8,611,805</u>
<b>Expenditures:</b>			
Current -			
Instruction	3,712,299		3,712,299
Support services - students and staff	851,126		851,126
Support services - administration	16,390		16,390
Operation and maintenance of plant services	74,481	1,503	75,984
Student transportation services	40,956	3,354	44,310
Operation of non-instructional services	3,100,508		3,100,508
Capital outlay	473,075	1,263,001	1,736,076
Debt service -			
Principal retirement		262,000	262,000
Interest and fiscal charges		262,483	262,483
<b>Total expenditures</b>	<u>8,268,835</u>	<u>1,792,341</u>	<u>10,061,176</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>105,499</u>	<u>(1,554,870)</u>	<u>(1,449,371)</u>
<b>Other financing sources (uses):</b>			
Transfers in		308,691	308,691
Transfers out	(120,673)		(120,673)
Capital lease agreements		2,512,100	2,512,100
<b>Total other financing sources (uses):</b>	<u>(120,673)</u>	<u>2,820,791</u>	<u>2,700,118</u>
<b>Changes in fund balances</b>	<u>(15,174)</u>	<u>1,265,921</u>	<u>1,250,747</u>
<b>Fund balances, beginning of year</b>	4,034,609	333,633	4,368,242
Increase (decrease) in reserve for inventory	(15,058)		(15,058)
<b>Fund balances, end of year</b>	<u>\$ 4,004,377</u>	<u>\$ 1,599,554</u>	<u>\$ 5,603,931</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.

**Structured English Immersion** - to account for monies received to provide for the incremental cost of instruction to English language learners.

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

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

**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.

**Promote Informed Parent Choice** - to account for financial assistance received to promote parent choices in the education of their students.

**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, 2014**

	Classroom Site	Instructional Improvement	Structured English Immersion
<b><u>ASSETS</u></b>			
Cash and investments	\$ 953,511	\$ 149,058	\$ 27
Accounts receivable			
Deposits			
Due from governmental entities		90,787	
Due from other funds			
Inventory			
<b>Total assets</b>	<b>\$ 953,511</b>	<b>\$ 239,845</b>	<b>\$ 27</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			
Accrued payroll and employee benefits	8,397		
Unearned revenues			27
<b>Total liabilities</b>	<b>8,397</b>		<b>27</b>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances:			
Nonspendable			
Restricted	945,114	239,845	
<b>Total fund balances</b>	<b>945,114</b>	<b>239,845</b>	
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <b>\$ 953,511</b>	 <b>\$ 239,845</b>	 <b>\$ 27</b>

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English &amp; Immigrant Students</u>	<u>Special Education Grants</u>	<u>Vocational Education</u>
\$ 648	\$	\$	\$	\$	\$
8,396	7,515	96,421	3,591	28,102	7,254
<u>\$ 9,044</u>	<u>\$ 7,515</u>	<u>\$ 96,421</u>	<u>\$ 3,591</u>	<u>\$ 28,102</u>	<u>\$ 7,254</u>
\$	\$	\$	\$	\$	\$
9,044	7,515	89,574 6,847	3,591	20,268 7,834	7,254
<u>9,044</u>	<u>7,515</u>	<u>96,421</u>	<u>3,591</u>	<u>28,102</u>	<u>7,254</u>
<u>\$ 9,044</u>	<u>\$ 7,515</u>	<u>\$ 96,421</u>	<u>\$ 3,591</u>	<u>\$ 28,102</u>	<u>\$ 7,254</u>

(Continued)

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93**  
**COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS**  
**JUNE 30, 2014**

	<u>E-Rate</u>	<u>Other Federal Projects</u>	<u>State Vocational Education</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 629	\$ 65,842	\$ 8,585
Accounts receivable			
Deposits			
Due from governmental entities	101,152		
Due from other funds	129,531		
Inventory			
<b>Total assets</b>	<u>\$ 231,312</u>	<u>\$ 65,842</u>	<u>\$ 8,585</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			
Accrued payroll and employee benefits			2,588
Unearned revenues			5,997
<b>Total liabilities</b>			<u>8,585</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>101,152</u>		
Fund balances:			
Nonspendable			
Restricted	<u>130,160</u>	<u>65,842</u>	
<b>Total fund balances</b>	<u>130,160</u>	<u>65,842</u>	
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 231,312</u>	<u>\$ 65,842</u>	<u>\$ 8,585</u>

<u>Other State Projects</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>
\$	\$ 627,693	\$ 524,516	\$ 490,379	\$ 575,003	\$ 504,548
	11,388				12,757
	49,538				
1,329					
	10,082				
<u>\$ 1,329</u>	<u>\$ 698,701</u>	<u>\$ 524,516</u>	<u>\$ 490,379</u>	<u>\$ 575,003</u>	<u>\$ 517,305</u>
\$	\$ 3,420	\$ 20,368	\$ 66,961	\$	\$
1,329					
	3,512	15,462	95,624		
	45,619				
<u>1,329</u>	<u>52,551</u>	<u>35,830</u>	<u>162,585</u>		
	10,082				
	636,068	488,686	327,794	575,003	517,305
	<u>646,150</u>	<u>488,686</u>	<u>327,794</u>	<u>575,003</u>	<u>517,305</u>
<u>\$ 1,329</u>	<u>\$ 698,701</u>	<u>\$ 524,516</u>	<u>\$ 490,379</u>	<u>\$ 575,003</u>	<u>\$ 517,305</u>

(Continued)

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93**  
**COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS**  
**JUNE 30, 2014**

	<u>Fingerprint</u>	<u>Textbooks</u>	<u>Totals</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 15,327	\$ 53,151	\$ 3,968,917
Accounts receivable			24,145
Deposits			49,538
Due from governmental entities			344,547
Due from other funds			129,531
Inventory			10,082
<b>Total assets</b>	<u>\$ 15,327</u>	<u>\$ 53,151</u>	<u>\$ 4,526,760</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$ 90,749
Due to other funds			129,531
Accrued payroll and employee benefits			149,308
Unearned revenues			51,643
<b>Total liabilities</b>			<u>421,231</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			<u>101,152</u>
Fund balances:			
Nonspendable			10,082
Restricted	15,327	53,151	3,994,295
<b>Total fund balances</b>	<u>15,327</u>	<u>53,151</u>	<u>4,004,377</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 15,327</u>	<u>\$ 53,151</u>	<u>\$ 4,526,760</u>

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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, 2014**

	Classroom Site	Instructional Improvement	Title I Grants
<b>Revenues:</b>			
Other local	\$ 5,689	\$ 730	\$
State aid and grants	1,946,182	211,694	
Federal aid, grants and reimbursements			383,422
<b>Total revenues</b>	1,951,871	212,424	383,422
<b>Expenditures:</b>			
Current -			
Instruction	1,987,973	169,236	346,645
Support services - students and staff	52,564	16,353	21,177
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	2,040,537	185,589	367,822
<b>Excess (deficiency) of revenues over expenditures</b>	(88,666)	26,835	15,600
<b>Other financing sources (uses):</b>			
Transfers out			(15,600)
<b>Total other financing sources (uses):</b>			(15,600)
<b>Changes in fund balances</b>	(88,666)	26,835	
<b>Fund balances, beginning of year</b>	1,033,780	213,010	
Increase (decrease) in reserve for inventory			
<b>Fund balances, end of year</b>	\$ 945,114	\$ 239,845	\$

Professional Development and Technology Grants	Title IV Grants	Limited English & Immigrant Students	Special Education Grants	Vocational Education	E-Rate
\$	\$	\$	\$	\$	\$ 357
60,496	189,964	3,591	700,247	51,178	
<u>60,496</u>	<u>189,964</u>	<u>3,591</u>	<u>700,247</u>	<u>51,178</u>	<u>357</u>
59,297	511 186,953	3,087 504	304,603 375,225	12,196 20,215	
<u>59,297</u>	<u>187,464</u>	<u>3,591</u>	<u>679,828</u>	<u>16,467</u> <u>48,878</u>	
<u>1,199</u>	<u>2,500</u>		<u>20,419</u>	<u>2,300</u>	<u>357</u>
<u>(1,199)</u>	<u>(2,500)</u>		<u>(20,419)</u>	<u>(2,300)</u>	
<u>(1,199)</u>	<u>(2,500)</u>		<u>(20,419)</u>	<u>(2,300)</u>	
					<u>357</u>
					129,803
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 130,160</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, 2014**

	<u>Other Federal Projects</u>	<u>State Vocational Education</u>	<u>Other State Projects</u>
<b>Revenues:</b>			
Other local	\$ 116,271	\$	\$
State aid and grants		45,349	181,286
Federal aid, grants and reimbursements			
<b>Total revenues</b>	<u>116,271</u>	<u>45,349</u>	<u>181,286</u>
<b>Expenditures:</b>			
Current -			
Instruction	84,986	11,961	166,336
Support services - students and staff	3,537	21,667	14,950
Support services - administration			
Operation and maintenance of plant services			
Student transportation services	112	5,822	
Operation of non-instructional services			
Capital outlay		5,899	
<b>Total expenditures</b>	<u>88,635</u>	<u>45,349</u>	<u>181,286</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>27,636</u>		
<b>Other financing sources (uses):</b>			
Transfers out			
<b>Total other financing sources (uses):</b>			
<b>Changes in fund balances</b>	<u>27,636</u>		
<b>Fund balances, beginning of year</b>	38,206		
Increase (decrease) in reserve for inventory			
<b>Fund balances, end of year</b>	<u>\$ 65,842</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>
\$ 1,213,943	\$ 216,776	\$ 1,729,360	\$ 597,157	\$ 331,345	\$ 7,464
373,130					
<u>1,587,073</u>	<u>216,776</u>	<u>1,729,360</u>	<u>597,157</u>	<u>331,345</u>	<u>7,464</u>
	589		483,864	136,002	
				76,522	
	69,834			16,390	
			35,022	4,647	
1,253,995	29,091	1,789,789		27,633	
86,629	213,848	25,473	36,295	88,464	
<u>1,340,624</u>	<u>313,362</u>	<u>1,815,262</u>	<u>555,181</u>	<u>349,658</u>	
246,449	(96,586)	(85,902)	41,976	(18,313)	7,464
(78,655)					
<u>(78,655)</u>					
167,794	(96,586)	(85,902)	41,976	(18,313)	7,464
493,414	585,272	413,696	533,027	535,618	7,863
(15,058)					
<u>\$ 646,150</u>	<u>\$ 488,686</u>	<u>\$ 327,794</u>	<u>\$ 575,003</u>	<u>\$ 517,305</u>	<u>\$ 15,327</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, 2014**

	<u>Textbooks</u>	<u>Totals</u>
<b>Revenues:</b>		
Other local	\$ 8,703	\$ 4,227,795
State aid and grants		2,384,511
Federal aid, grants and reimbursements		1,762,028
<b>Total revenues</b>	<u>8,703</u>	<u>8,374,334</u>
<b>Expenditures:</b>		
Current -		
Instruction	4,310	3,712,299
Support services - students and staff	2,162	851,126
Support services - administration		16,390
Operation and maintenance of plant services		74,481
Student transportation services		40,956
Operation of non-instructional services		3,100,508
Capital outlay		473,075
<b>Total expenditures</b>	<u>6,472</u>	<u>8,268,835</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>2,231</u>	<u>105,499</u>
<b>Other financing sources (uses):</b>		
Transfers out		(120,673)
<b>Total other financing sources (uses):</b>		<u>(120,673)</u>
<b>Changes in fund balances</b>	<u>2,231</u>	<u>(15,174)</u>
<b>Fund balances, beginning of year</b>	50,920	4,034,609
Increase (decrease) in reserve for inventory		(15,058)
<b>Fund balances, end of year</b>	<u>\$ 53,151</u>	<u>\$ 4,004,377</u>

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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, 2014**

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 5,689	\$ 5,689
State aid and grants		1,946,182	1,946,182
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>1,951,871</u>	<u>1,951,871</u>
<b>Expenditures:</b>			
Current -			
Instruction	2,866,117	1,987,973	878,144
Support services - students and staff	192,000	52,564	139,436
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>3,058,117</u>	<u>2,040,537</u>	<u>1,017,580</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(3,058,117)</u>	<u>(88,666)</u>	<u>2,969,451</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses):</b>			
<b>Changes in fund balances</b>	<u>(3,058,117)</u>	<u>(88,666)</u>	<u>2,969,451</u>
<b>Fund balances, beginning of year</b>		1,033,780	1,033,780
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (3,058,117)</u>	<u>\$ 945,114</u>	<u>\$ 4,003,231</u>

Instructional Improvement			Title I Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 730	\$ 730	\$	\$	\$
	211,694	211,694			
	<u>212,424</u>	<u>212,424</u>		<u>383,422</u>	<u>383,422</u>
				<u>383,422</u>	<u>383,422</u>
219,359	169,236	50,123	410,191	346,645	63,546
17,000	16,353	647	22,000	21,177	823
<u>236,359</u>	<u>185,589</u>	<u>50,770</u>	<u>432,191</u>	<u>367,822</u>	<u>64,369</u>
<u>(236,359)</u>	<u>26,835</u>	<u>263,194</u>	<u>(432,191)</u>	<u>15,600</u>	<u>447,791</u>
				(15,600)	(15,600)
				<u>(15,600)</u>	<u>(15,600)</u>
<u>(236,359)</u>	<u>26,835</u>	<u>263,194</u>	<u>(432,191)</u>		<u>432,191</u>
	213,010	213,010			
<u>\$ (236,359)</u>	<u>\$ 239,845</u>	<u>\$ 476,204</u>	<u>\$ (432,191)</u>	<u>\$</u>	<u>\$ 432,191</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, 2014**

	Professional Development and Technology Grants		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		60,496	60,496
<b>Total revenues</b>		60,496	60,496
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff	70,588	59,297	11,291
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	70,588	59,297	11,291
<b>Excess (deficiency) of revenues over expenditures</b>	(70,588)	1,199	71,787
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(1,199)	(1,199)
Proceeds from sale of capital assets			
<b>Total other financing sources (uses):</b>		(1,199)	(1,199)
<b>Changes in fund balances</b>	(70,588)		70,588
<b>Fund balances, beginning of year</b>			
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (70,588)	\$	\$ 70,588

Title IV Grants			Promote Informed Parent Choice		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	189,964	189,964			
	189,964	189,964			
600	511	89	5,152		5,152
74,334	186,953	(112,619)			
74,934	187,464	(112,530)	5,152		5,152
(74,934)	2,500	77,434	(5,152)		5,152
	(2,500)	(2,500)			
	(2,500)	(2,500)			
(74,934)		74,934	(5,152)		5,152
\$ (74,934)	\$	\$ 74,934	\$ (5,152)	\$	\$ 5,152



**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, 2014**

	Limited English & Immigrant Students		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		3,591	3,591
<b>Total revenues</b>		3,591	3,591
<b>Expenditures:</b>			
Current -			
Instruction		3,087	(3,087)
Support services - students and staff		504	(504)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>		3,591	(3,591)
<b>Excess (deficiency) of revenues over expenditures</b>			
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses):</b>			
<b>Changes in fund balances</b>			
<b>Fund balances, beginning of year</b>			
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$	\$	\$

Special Education Grants			Vocational Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	700,247	700,247		51,178	51,178
	700,247	700,247		51,178	51,178
310,000	304,603	5,397	13,000	12,196	804
437,235	375,225	62,010	27,821	20,215	7,606
			17,000	16,467	533
747,235	679,828	67,407	57,821	48,878	8,943
(747,235)	20,419	767,654	(57,821)	2,300	60,121
	(20,419)	(20,419)		(2,300)	(2,300)
	(20,419)	(20,419)		(2,300)	(2,300)
(747,235)		747,235	(57,821)		57,821
\$ (747,235)	\$	\$ 747,235	\$ (57,821)	\$	\$ 57,821

**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, 2014**

	Medicaid Reimbursement		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
<b>Revenues:</b>			
Other local	\$	\$ 1,578	\$ 1,578
State aid and grants			
Federal aid, grants and reimbursements		76,154	76,154
<b>Total revenues</b>		77,732	77,732
<b>Expenditures:</b>			
Current -			
Instruction	139,000	83,338	55,662
Support services - students and staff	60,000	53,844	6,156
Support services - administration	11,000	10,074	926
Operation and maintenance of plant services			
Student transportation services	5,000	4,107	893
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	215,000	151,363	63,637
<b>Excess (deficiency) of revenues over expenditures</b>	(215,000)	(73,631)	141,369
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses):</b>			
<b>Changes in fund balances</b>	(215,000)	(73,631)	141,369
<b>Fund balances, beginning of year</b>		573,170	573,170
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (215,000)	\$ 499,539	\$ 714,539

Taylor Grazing Fees			E-Rate		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 357	\$ 357
	2	2		357	357
	2	2		357	357
			129,803		129,803
			129,803		129,803
	2	2	(129,803)	357	130,160
	2	2	(129,803)	357	130,160
	3	3		129,803	129,803
\$	\$ 5	\$ 5	\$ (129,803)	\$ 130,160	\$ 259,963

(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, 2014**

	Other Federal Projects		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 116,271	\$ 116,271
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>116,271</u>	<u>116,271</u>
<b>Expenditures:</b>			
Current -			
Instruction	117,180	84,986	32,194
Support services - students and staff	5,000	3,537	1,463
Support services - administration			
Operation and maintenance of plant services			
Student transportation services	200	112	88
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>122,380</u>	<u>88,635</u>	<u>33,745</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(122,380)</u>	<u>27,636</u>	<u>150,016</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses):</b>			
<b>Changes in fund balances</b>	<u>(122,380)</u>	<u>27,636</u>	<u>150,016</u>
<b>Fund balances, beginning of year</b>		38,206	38,206
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (122,380)</u>	<u>\$ 65,842</u>	<u>\$ 188,222</u>

State Vocational Education			Other State Projects		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 45,349	\$ 45,349	\$	\$ 181,286	\$ 181,286
	<u>45,349</u>	<u>45,349</u>		<u>181,286</u>	<u>181,286</u>
12,000	11,961	39	169,757	166,336	3,421
27,323	21,667	5,656	15,000	14,950	50
6,000	5,822	178			
<u>6,000</u>	<u>5,899</u>	<u>101</u>			
<u>51,323</u>	<u>45,349</u>	<u>5,974</u>	<u>184,757</u>	<u>181,286</u>	<u>3,471</u>
<u>(51,323)</u>		<u>51,323</u>	<u>(184,757)</u>		<u>184,757</u>
<u>(51,323)</u>		<u>51,323</u>	<u>(184,757)</u>		<u>184,757</u>
<u>\$ (51,323)</u>	<u>\$</u>	<u>\$ 51,323</u>	<u>\$ (184,757)</u>	<u>\$</u>	<u>\$ 184,757</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, 2014**

	School Plant		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
<b>Revenues:</b>			
Other local	\$	\$ 1,126	\$ 1,126
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		1,126	1,126
<b>Expenditures:</b>			
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	953,518	693,396	260,122
<b>Total expenditures</b>	953,518	693,396	260,122
<b>Excess (deficiency) of revenues over expenditures</b>	(953,518)	(692,270)	261,248
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets		914,370	914,370
<b>Total other financing sources (uses):</b>		914,370	914,370
<b>Changes in fund balances</b>	(953,518)	222,100	1,175,618
<b>Fund balances, beginning of year</b>		43,594	43,594
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (953,518)	\$ 265,694	\$ 1,219,212

Food Service			Civic Center		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,213,943	\$ 1,213,943	\$	\$ 216,776	\$ 216,776
	373,130	373,130		216,776	216,776
	<u>1,587,073</u>	<u>1,587,073</u>			
			600	589	11
			70,000	69,834	166
1,382,643	1,253,995	128,648	30,000	29,091	909
100,000	86,629	13,371	492,922	213,848	279,074
<u>1,482,643</u>	<u>1,340,624</u>	<u>142,019</u>	<u>593,522</u>	<u>313,362</u>	<u>280,160</u>
(1,482,643)	246,449	1,729,092	(593,522)	(96,586)	496,936
	(78,655)	(78,655)			
	<u>(78,655)</u>	<u>(78,655)</u>			
(1,482,643)	167,794	1,650,437	(593,522)	(96,586)	496,936
	493,414	493,414		585,272	585,272
	(15,058)	(15,058)			
<u>\$ (1,482,643)</u>	<u>\$ 646,150</u>	<u>\$ 2,128,793</u>	<u>\$ (593,522)</u>	<u>\$ 488,686</u>	<u>\$ 1,082,208</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, 2014**

	Community School		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 1,729,360	\$ 1,729,360
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>	<u>                    </u>	<u>1,729,360</u>	<u>1,729,360</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services	1,945,744	1,789,789	155,955
Capital outlay	30,000	25,473	4,527
<b>Total expenditures</b>	<u>1,975,744</u>	<u>1,815,262</u>	<u>160,482</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,975,744)</u>	<u>(85,902)</u>	<u>1,889,842</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses):</b>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Changes in fund balances</b>	<u>(1,975,744)</u>	<u>(85,902)</u>	<u>1,889,842</u>
<b>Fund balances, beginning of year</b>		413,696	413,696
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (1,975,744)</u>	<u>\$ 327,794</u>	<u>\$ 2,303,538</u>

Auxiliary Operations			Extracurricular Activities Fees Tax Credit		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 723,666	\$ 723,666	\$	\$ 597,157	\$ 597,157
	<u>723,666</u>	<u>723,666</u>		<u>597,157</u>	<u>597,157</u>
895,611	512,177	383,434	1,045,477	483,864	561,613
60,000	55,940	4,060			
34,000	33,386	614			
45,000	44,038	962			
65,000	60,608	4,392	40,000	35,022	4,978
28,000	27,818	182			
15,000	14,163	837	40,000	36,295	3,705
<u>1,142,611</u>	<u>748,130</u>	<u>394,481</u>	<u>1,125,477</u>	<u>555,181</u>	<u>570,296</u>
<u>(1,142,611)</u>	<u>(24,464)</u>	<u>1,118,147</u>	<u>(1,125,477)</u>	<u>41,976</u>	<u>1,167,453</u>
<u>(1,142,611)</u>	<u>(24,464)</u>	<u>1,118,147</u>	<u>(1,125,477)</u>	<u>41,976</u>	<u>1,167,453</u>
	453,220	453,220		533,027	533,027
<u>\$ (1,142,611)</u>	<u>\$ 428,756</u>	<u>\$ 1,571,367</u>	<u>\$ (1,125,477)</u>	<u>\$ 575,003</u>	<u>\$ 1,700,480</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, 2014**

	Gifts and Donations		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 331,345	\$ 331,345
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>331,345</u>	<u>331,345</u>
<b>Expenditures:</b>			
Current -			
Instruction	484,477	136,002	348,475
Support services - students and staff	80,000	76,522	3,478
Support services - administration	17,000	16,390	610
Operation and maintenance of plant services		4,647	(4,647)
Student transportation services			
Operation of non-instructional services	28,000	27,633	367
Capital outlay	90,000	88,464	1,536
<b>Total expenditures</b>	<u>699,477</u>	<u>349,658</u>	<u>349,819</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(699,477)</u>	<u>(18,313)</u>	<u>681,164</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses):</b>			
<b>Changes in fund balances</b>	<u>(699,477)</u>	<u>(18,313)</u>	<u>681,164</u>
<b>Fund balances, beginning of year</b>		535,618	535,618
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (699,477)</u>	<u>\$ 517,305</u>	<u>\$ 1,216,782</u>

Fingerprint			Textbooks		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 7,464	\$ 7,464	\$	\$ 8,703	\$ 8,703
	<u>7,464</u>	<u>7,464</u>		<u>8,703</u>	<u>8,703</u>
7,863		7,863	52,469	4,310	48,159
			3,000	2,162	838
<u>7,863</u>		<u>7,863</u>	<u>55,469</u>	<u>6,472</u>	<u>48,997</u>
<u>(7,863)</u>	<u>7,464</u>	<u>15,327</u>	<u>(55,469)</u>	<u>2,231</u>	<u>57,700</u>
<u>(7,863)</u>	<u>7,464</u>	<u>15,327</u>	<u>(55,469)</u>	<u>2,231</u>	<u>57,700</u>
	7,863	7,863		50,920	50,920
<u>\$ (7,863)</u>	<u>\$ 15,327</u>	<u>\$ 23,190</u>	<u>\$ (55,469)</u>	<u>\$ 53,151</u>	<u>\$ 108,620</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, 2014**

	Litigation Recovery		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
<b>Revenues:</b>			
Other local	\$	\$ 16	\$ 16
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>16</u>	<u>16</u>
<b>Expenditures:</b>			
Current -			
Instruction	4,275		4,275
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>4,275</u>		<u>4,275</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(4,275)</u>	<u>16</u>	<u>4,291</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses):</b>			
<b>Changes in fund balances</b>	<u>(4,275)</u>	<u>16</u>	<u>4,291</u>
<b>Fund balances, beginning of year</b>		4,278	4,278
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (4,275)</u>	<u>\$ 4,294</u>	<u>\$ 8,569</u>

Indirect Costs			Advertisement		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 353	\$ 353	\$	\$ 43	\$ 43
	<u>353</u>	<u>353</u>		<u>43</u>	<u>43</u>
65,000		65,000	11,368		11,368
<u>65,000</u>		<u>65,000</u>	<u>11,368</u>		<u>11,368</u>
<u>(65,000)</u>	<u>353</u>	<u>65,353</u>	<u>(11,368)</u>	<u>43</u>	<u>11,411</u>
	120,673	120,673			
	<u>120,673</u>	<u>120,673</u>			
<u>(65,000)</u>	<u>121,026</u>	<u>186,026</u>	<u>(11,368)</u>	<u>43</u>	<u>11,411</u>
	65,621	65,621		11,368	11,368
<u>\$ (65,000)</u>	<u>\$ 186,647</u>	<u>\$ 251,647</u>	<u>\$ (11,368)</u>	<u>\$ 11,411</u>	<u>\$ 22,779</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, 2014**

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 4,954,577	\$ 4,954,577
State aid and grants		2,384,511	2,384,511
Federal aid, grants and reimbursements		1,838,184	1,838,184
<b>Total revenues</b>		<u>9,177,272</u>	<u>9,177,272</u>
<b>Expenditures:</b>			
Current -			
Instruction	6,959,299	4,307,814	2,651,485
Support services - students and staff	1,091,301	960,910	130,391
Support services - administration	62,000	59,850	2,150
Operation and maintenance of plant services	115,000	118,519	(3,519)
Student transportation services	116,200	105,671	10,529
Operation of non-instructional services	3,414,387	3,128,326	286,061
Capital outlay	1,744,440	1,180,634	563,806
<b>Total expenditures</b>	<u>13,502,627</u>	<u>9,861,724</u>	<u>3,640,903</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(13,502,627)</u>	<u>(684,452)</u>	<u>12,818,175</u>
<b>Other financing sources (uses):</b>			
Transfers in		120,673	120,673
Transfers out		(120,673)	(120,673)
Proceeds from sale of capital assets		914,370	914,370
<b>Total other financing sources (uses):</b>		<u>914,370</u>	<u>914,370</u>
<b>Changes in fund balances</b>	<u>(13,502,627)</u>	<u>229,918</u>	<u>13,732,545</u>
<b>Fund balances, beginning of year</b>		5,185,863	5,185,863
Increase (decrease) in reserve for inventory		(15,058)	(15,058)
<b>Fund balances (deficits), end of year</b>	<u>\$ (13,502,627)</u>	<u>\$ 5,400,723</u>	<u>\$ 18,903,350</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, 2014**

	Debt Service		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 4,017	\$ 4,017
Property taxes		1,803,683	1,803,683
<b>Total revenues</b>		<u>1,807,700</u>	<u>1,807,700</u>
<b>Expenditures:</b>			
Debt service -			
Principal retirement		1,225,000	(1,225,000)
Interest and fiscal charges	1,891,075	663,576	1,227,499
<b>Total expenditures</b>	<u>1,891,075</u>	<u>1,888,576</u>	<u>2,499</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,891,075)</u>	<u>(80,876)</u>	<u>1,810,199</u>
<b>Other financing sources (uses):</b>			
Transfers in		43,005	43,005
<b>Total other financing sources (uses):</b>		<u>43,005</u>	<u>43,005</u>
<b>Changes in fund balances</b>	<u>(1,891,075)</u>	<u>(37,871)</u>	<u>1,853,204</u>
<b>Fund balances, beginning of year</b>		213,406	213,406
<b>Fund balances (deficits), end of year</b>	<u>\$ (1,891,075)</u>	<u>\$ 175,535</u>	<u>\$ 2,066,610</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.

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

**Bond Building** - to account for proceeds from District bond issues that are expended on the acquisition or lease of sites; construction or renovation of school buildings; 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.

**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, 2014**

	<u>Insurance Proceeds</u>	<u>Adjacent Ways</u>	<u>Gifts and Donations - Capital</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 136,232	\$ 164,805	\$ 6,556
<b>Total assets</b>	<u>\$ 136,232</u>	<u>\$ 164,805</u>	<u>\$ 6,556</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
Liabilities:			
Construction contracts payable	\$ _____	\$ _____	\$ _____
<b>Total liabilities</b>	<u>_____</u>	<u>_____</u>	<u>_____</u>
Fund balances:			
Restricted	<u>136,232</u>	<u>164,805</u>	<u>6,556</u>
<b>Total fund balances</b>	<u>136,232</u>	<u>164,805</u>	<u>6,556</u>
<b>Total liabilities and fund balances</b>	<u>\$ 136,232</u>	<u>\$ 164,805</u>	<u>\$ 6,556</u>

<u>Energy and Water Savings</u>	<u>Building Renewal</u>	<u>Building Renewal Grant</u>	<u>New School Facilities</u>	<u>Totals</u>
\$ 1,650,233	\$ 687	\$ 5,317	\$ 3,901	\$ 1,967,731
<u>\$ 1,650,233</u>	<u>\$ 687</u>	<u>\$ 5,317</u>	<u>\$ 3,901</u>	<u>\$ 1,967,731</u>
\$ 368,177	\$	\$	\$	\$ 368,177
<u>368,177</u>				<u>368,177</u>
1,282,056	687	5,317	3,901	1,599,554
<u>1,282,056</u>	<u>687</u>	<u>5,317</u>	<u>3,901</u>	<u>1,599,554</u>
\$ 1,650,233	\$ 687	\$ 5,317	\$ 3,901	\$ 1,967,731
<u>\$ 1,650,233</u>	<u>\$ 687</u>	<u>\$ 5,317</u>	<u>\$ 3,901</u>	<u>\$ 1,967,731</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, 2014**

	Insurance Proceeds	Adjacent Ways	Gifts and Donations - Capital
<b>Revenues:</b>			
Other local	\$ 10,020	\$ 765	\$ 25
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>	10,020	765	25
<b>Expenditures:</b>			
Current -			
Operation and maintenance of plant services	1,503		
Student transportation services	3,354		
Capital outlay	2,682	24,017	
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>	7,539	24,017	
<b>Excess (deficiency) of revenues over expenditures</b>	2,481	(23,252)	25
<b>Other financing sources (uses):</b>			
Transfers in			
Capital lease agreements			
<b>Total other financing sources (uses):</b>			
<b>Changes in fund balances</b>	2,481	(23,252)	25
<b>Fund balances, beginning of year</b>	133,751	188,057	6,531
<b>Fund balances, end of year</b>	\$ 136,232	\$ 164,805	\$ 6,556

<u>Energy and Water Savings</u>	<u>Building Renewal</u>	<u>Building Renewal Grant</u>	<u>New School Facilities</u>	<u>Totals</u>
\$ 169	\$ 15	\$ 5	\$ 17	\$ 11,016
215,696		10,759		10,759
<u>215,865</u>	<u>15</u>	<u>10,764</u>	<u>17</u>	<u>237,471</u>
				1,503
				3,354
1,230,117		6,185		1,263,001
262,000				262,000
262,483				262,483
<u>1,754,600</u>		<u>6,185</u>		<u>1,792,341</u>
<u>(1,538,735)</u>	<u>15</u>	<u>4,579</u>	<u>17</u>	<u>(1,554,870)</u>
308,691				308,691
<u>2,512,100</u>				<u>2,512,100</u>
<u>2,820,791</u>				<u>2,820,791</u>
<u>1,282,056</u>	<u>15</u>	<u>4,579</u>	<u>17</u>	<u>1,265,921</u>
	672	738	3,884	333,633
<u>\$ 1,282,056</u>	<u>\$ 687</u>	<u>\$ 5,317</u>	<u>\$ 3,901</u>	<u>\$ 1,599,554</u>

**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, 2014**

	Insurance Proceeds		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 10,020	\$ 10,020
Property taxes			
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>10,020</u>	<u>10,020</u>
<b>Expenditures:</b>			
Current -			
Operation and maintenance of plant services	2,000	1,503	497
Student transportation services	5,000	3,354	1,646
Capital outlay	126,750	2,682	124,068
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>	<u>133,750</u>	<u>7,539</u>	<u>126,211</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(133,750)</u>	<u>2,481</u>	<u>136,231</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Capital lease agreements			
<b>Total other financing sources (uses):</b>			
<b>Changes in fund balances</b>	<u>(133,750)</u>	<u>2,481</u>	<u>136,231</u>
<b>Fund balances (deficits), beginning of year</b>		133,751	133,751
<b>Fund balances (deficits), end of year</b>	<u>\$ (133,750)</u>	<u>\$ 136,232</u>	<u>\$ 269,982</u>

Unrestricted Capital Outlay			Adjacent Ways		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 10,524	\$ 10,524	\$	\$ 765	\$ 765
	3,964,250	3,964,250			
	1,093,693	1,093,693			
	<u>5,068,467</u>	<u>5,068,467</u>		<u>765</u>	<u>765</u>
4,374,312	2,190,401	2,183,911	188,056	24,017	164,039
	200,166	(200,166)			
<u>4,374,312</u>	<u>2,390,567</u>	<u>1,983,745</u>	<u>188,056</u>	<u>24,017</u>	<u>164,039</u>
<u>(4,374,312)</u>	<u>2,677,900</u>	<u>7,052,212</u>	<u>(188,056)</u>	<u>(23,252)</u>	<u>164,804</u>
	1,315,679	1,315,679			
	1,322,899	1,322,899			
	<u>2,638,578</u>	<u>2,638,578</u>			
<u>(4,374,312)</u>	<u>5,316,478</u>	<u>9,690,790</u>	<u>(188,056)</u>	<u>(23,252)</u>	<u>164,804</u>
	(9,571)	(9,571)		188,057	188,057
<u>\$ (4,374,312)</u>	<u>\$ 5,306,907</u>	<u>\$ 9,681,219</u>	<u>\$ (188,056)</u>	<u>\$ 164,805</u>	<u>\$ 352,861</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, 2014**

	Soft Capital Allocation		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
Property taxes			
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>			
<b>Expenditures:</b>			
Current -			
Operation and maintenance of plant services			
Student transportation services			
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>			
<b>Excess (deficiency) of revenues over expenditures</b>			
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(1,315,679)	(1,315,679)
Capital lease agreements			
<b>Total other financing sources (uses):</b>		(1,315,679)	(1,315,679)
<b>Changes in fund balances</b>		(1,315,679)	(1,315,679)
<b>Fund balances (deficits), beginning of year</b>		1,315,679	1,315,679
<b>Fund balances (deficits), end of year</b>	\$	\$	\$

Bond Building			Gifts and Donations - Capital		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 43,005	\$ 43,005	\$	\$ 25	\$ 25
	<u>43,005</u>	<u>43,005</u>		<u>25</u>	<u>25</u>
10,198,563	55,329	10,143,234	6,530		6,530
<u>10,198,563</u>	<u>55,329</u>	<u>10,143,234</u>	<u>6,530</u>		<u>6,530</u>
<u>(10,198,563)</u>	<u>(12,324)</u>	<u>10,186,239</u>	<u>(6,530)</u>	<u>25</u>	<u>6,555</u>
	(43,005)	(43,005)			
	<u>(43,005)</u>	<u>(43,005)</u>			
<u>(10,198,563)</u>	<u>(55,329)</u>	<u>10,143,234</u>	<u>(6,530)</u>	<u>25</u>	<u>6,555</u>
	10,254,263	10,254,263		6,531	6,531
<u>\$ (10,198,563)</u>	<u>\$ 10,198,934</u>	<u>\$ 20,397,497</u>	<u>\$ (6,530)</u>	<u>\$ 6,556</u>	<u>\$ 13,086</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, 2014**

	Energy and Water Savings		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 169	\$ 169
Property taxes			
State aid and grants			
Federal aid, grants and reimbursements		215,696	215,696
<b>Total revenues</b>		<u>215,865</u>	<u>215,865</u>
<b>Expenditures:</b>			
Current -			
Operation and maintenance of plant services			
Student transportation services			
Capital outlay		1,230,117	(1,230,117)
Debt service -			
Principal retirement	262,000	262,000	
Interest and fiscal charges	262,483	262,483	
<b>Total expenditures</b>	<u>524,483</u>	<u>1,754,600</u>	<u>(1,230,117)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(524,483)</u>	<u>(1,538,735)</u>	<u>(1,014,252)</u>
<b>Other financing sources (uses):</b>			
Transfers in		308,691	308,691
Transfers out			
Capital lease agreements		2,512,100	2,512,100
<b>Total other financing sources (uses):</b>		<u>2,820,791</u>	<u>2,820,791</u>
<b>Changes in fund balances</b>	<u>(524,483)</u>	<u>1,282,056</u>	<u>1,806,539</u>
<b>Fund balances (deficits), beginning of year</b>			
<b>Fund balances (deficits), end of year</b>	<u>\$ (524,483)</u>	<u>\$ 1,282,056</u>	<u>\$ 1,806,539</u>

Building Renewal			Building Renewal Grant		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 15	\$ 15	\$	\$ 5	\$ 5
				10,759	10,759
	<u>15</u>	<u>15</u>		<u>10,764</u>	<u>10,764</u>
			10,000	6,185	3,815
			<u>10,000</u>	<u>6,185</u>	<u>3,815</u>
	<u>15</u>	<u>15</u>	<u>(10,000)</u>	<u>4,579</u>	<u>14,579</u>
	<u>15</u>	<u>15</u>	<u>(10,000)</u>	<u>4,579</u>	<u>14,579</u>
	672	672		738	738
<u>\$</u>	<u>\$ 687</u>	<u>\$ 687</u>	<u>\$ (10,000)</u>	<u>\$ 5,317</u>	<u>\$ 15,317</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, 2014**

	New School Facilities		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 17	\$ 17
Property taxes			
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		17	17
<b>Expenditures:</b>			
Current -			
Operation and maintenance of plant services			
Student transportation services			
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>			
<b>Excess (deficiency) of revenues over expenditures</b>		17	17
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Capital lease agreements			
<b>Total other financing sources (uses):</b>			
<b>Changes in fund balances</b>		17	17
<b>Fund balances (deficits), beginning of year</b>		3,884	3,884
<b>Fund balances (deficits), end of year</b>	\$	\$ 3,901	\$ 3,901

Totals		
Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 64,545	\$ 64,545
	3,964,250	3,964,250
	1,104,452	1,104,452
	215,696	215,696
	<u>5,348,943</u>	<u>5,348,943</u>
2,000	1,503	497
5,000	3,354	1,646
14,904,211	3,508,731	11,395,480
262,000	462,166	(200,166)
262,483	262,483	
<u>15,435,694</u>	<u>4,238,237</u>	<u>11,197,457</u>
<u>(15,435,694)</u>	<u>1,110,706</u>	<u>16,546,400</u>
	1,624,370	1,624,370
	(1,358,684)	(1,358,684)
	3,834,999	3,834,999
	<u>4,100,685</u>	<u>4,100,685</u>
<u>(15,435,694)</u>	<u>5,211,391</u>	<u>20,647,085</u>
	11,894,004	11,894,004
<u>\$ (15,435,694)</u>	<u>\$ 17,105,395</u>	<u>\$ 32,541,089</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, 2014**

	Student Activities	Employee Insurance	Totals
<b><u>ASSETS</u></b>			
Cash and investments	\$ 167,600	\$ 3,152,114	\$ 3,319,714
<b>Total assets</b>	\$ 167,600	\$ 3,152,114	\$ 3,319,714
 <b><u>LIABILITIES</u></b>			
Deposits held for others	\$	\$ 3,152,114	\$ 3,152,114
Due to student groups	167,600		167,600
<b>Total liabilities</b>	\$ 167,600	\$ 3,152,114	\$ 3,319,714

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS**  
**YEAR ENDED JUNE 30, 2014**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b><u>STUDENT ACTIVITIES FUND</u></b>				
<u>Assets</u>				
Cash and investments	\$ 171,471	\$ 579,196	\$ 583,067	\$ 167,600
Total assets	<u>\$ 171,471</u>	<u>\$ 579,196</u>	<u>\$ 583,067</u>	<u>\$ 167,600</u>
<u>Liabilities</u>				
Due to student groups	\$ 171,471	\$ 579,196	\$ 583,067	\$ 167,600
Total liabilities	<u>\$ 171,471</u>	<u>\$ 579,196</u>	<u>\$ 583,067</u>	<u>\$ 167,600</u>
 <b><u>EMPLOYEE INSURANCE FUND</u></b>				
<u>Assets</u>				
Cash and investments	\$ 3,891,541	\$ 4,417,617	\$ 5,157,044	\$ 3,152,114
Total assets	<u>\$ 3,891,541</u>	<u>\$ 4,417,617</u>	<u>\$ 5,157,044</u>	<u>\$ 3,152,114</u>
<u>Liabilities</u>				
Deposits held for others	\$ 3,891,541	\$ 4,417,617	\$ 5,157,044	\$ 3,152,114
Total liabilities	<u>\$ 3,891,541</u>	<u>\$ 4,417,617</u>	<u>\$ 5,157,044</u>	<u>\$ 3,152,114</u>
 <b><u>TOTAL AGENCY FUNDS</u></b>				
<u>Assets</u>				
Cash and investments	\$ 4,063,012	\$ 4,996,813	\$ 5,740,111	\$ 3,319,714
Total assets	<u>\$ 4,063,012</u>	<u>\$ 4,996,813</u>	<u>\$ 5,740,111</u>	<u>\$ 3,319,714</u>
<u>Liabilities</u>				
Deposits held for others	\$ 3,891,541	\$ 4,417,617	\$ 5,157,044	\$ 3,152,114
Due to student groups	171,471	579,196	583,067	167,600
Total liabilities	<u>\$ 4,063,012</u>	<u>\$ 4,996,813</u>	<u>\$ 5,740,111</u>	<u>\$ 3,319,714</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)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>
<b>Net Position:</b>					
Net investment in capital assets	\$ 85,689,325	\$ 87,340,508	\$ 86,565,632	\$ 81,392,706	\$ 82,695,319
Restricted	12,257,340	4,619,247	7,026,159	8,697,770	6,914,046
Unrestricted	6,151,768	10,440,823	11,851,487	13,991,000	16,917,449
Total net position	\$ 104,098,433	\$ 102,400,578	\$ 105,443,278	\$ 104,081,476	\$ 106,526,814
	<b><u>2009</u></b>	<b><u>2008</u></b>	<b><u>2007</u></b>	<b><u>2006</u></b>	<b><u>2005</u></b>
<b>Net Position:</b>					
Net investment in capital assets	\$ 83,899,258	\$ 76,743,730	\$ 67,908,754	\$ 61,244,311	\$ 53,754,819
Restricted	6,826,450	6,800,174	5,992,608	3,765,438	4,854,192
Unrestricted	9,855,686	14,912,053	16,550,639	14,103,159	15,174,742
Total net position	\$ 100,581,394	\$ 98,455,957	\$ 90,452,001	\$ 79,112,908	\$ 73,783,753

**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)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>
<b>Expenses</b>					
Instruction	\$ 24,083,445	\$ 24,402,957	\$ 22,609,472	\$ 27,258,529	\$ 24,218,697
Support services - students and staff	5,545,312	5,519,931	5,270,036	5,526,270	4,610,392
Support services - administration	4,075,563	3,868,766	5,671,842	2,569,937	3,994,509
Operation and maintenance of plant services	5,305,320	5,084,398	4,724,547	6,092,260	5,321,697
Student transportation services	2,847,787	2,985,503	2,769,862	3,355,883	2,650,721
Operation of non-instructional services	3,369,983	3,162,555	3,362,694	3,588,770	3,715,304
Interest on long-term debt	926,059	1,006,517	1,061,841	806,300	908,053
Total expenses	<u>46,153,469</u>	<u>46,030,627</u>	<u>45,470,294</u>	<u>49,197,949</u>	<u>45,419,373</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	1,433,699	1,809,580	1,408,395	1,587,002	1,614,694
Operation of non-instructional services	2,936,880	2,944,027	2,969,077	3,039,572	2,910,151
Other activities	214,835	443,324	440,805	140,580	237,268
Operating grants and contributions	2,651,294	2,705,693	2,959,398	3,745,223	3,004,844
Capital grants and contributions	110,830	211,063	311,128	470,124	203,173
Total program revenues	<u>7,347,538</u>	<u>8,113,687</u>	<u>8,088,803</u>	<u>8,982,501</u>	<u>7,970,130</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (38,805,931)</u>	<u>\$ (37,916,940)</u>	<u>\$ (37,381,491)</u>	<u>\$ (40,215,448)</u>	<u>\$ (37,449,243)</u>

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b>Expenses</b>					
Instruction	\$ 25,554,479	\$ 26,172,038	\$ 24,826,055	\$ 25,370,642	\$ 24,363,906
Support services - students and staff	5,378,073	5,804,590	5,154,723	4,678,515	3,394,046
Support services - administration	4,270,244	4,567,274	3,957,809	3,621,172	3,082,719
Operation and maintenance of plant services	5,332,736	5,130,171	5,149,602	4,239,912	3,280,012
Student transportation services	2,860,786	2,670,253	3,092,090	2,482,858	2,147,922
Operation of non-instructional services	5,123,549	5,237,479	4,859,130	4,097,917	4,357,211
Interest on long-term debt	1,121,003	1,428,239	1,785,109	1,498,184	2,141,744
Total expenses	<u>49,640,870</u>	<u>51,010,044</u>	<u>48,824,518</u>	<u>45,989,200</u>	<u>42,767,560</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	25,825	16,391	162,713	308,573	775,213
Operation of non-instructional services	4,559,814	4,595,806	4,625,911	4,091,804	3,613,313
Other activities	258,392	246,915	77,707	112,659	64,894
Operating grants and contributions	2,734,467	2,506,379	1,857,064	2,211,846	1,914,893
Capital grants and contributions	141,256	74,818	55,519	41,921	16,195,354
Total program revenues	<u>7,719,754</u>	<u>7,440,309</u>	<u>6,778,914</u>	<u>6,766,803</u>	<u>22,563,667</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (41,921,116)</u>	<u>\$ (43,569,735)</u>	<u>\$ (42,045,604)</u>	<u>\$ (39,222,397)</u>	<u>\$ (20,203,893)</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)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>
<b>Net (Expense)/Revenue</b>	\$ (38,805,931)	\$ (37,916,940)	\$ (37,381,491)	\$ (40,215,448)	\$ (37,449,243)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	23,245,478	23,878,926	22,195,393	24,844,302	30,756,300
Property taxes, levied for debt service	1,820,848	1,891,924	1,767,767	687,777	870,876
Property taxes, levied for capital outlay	4,944,590	213,867	470,542	2,441,772	1,588,644
Investment income	84,004	91,540	135,756	282,423	322,325
Unrestricted state aid	9,418,340	8,671,356	14,019,011	9,425,595	8,835,126
Unrestricted federal aid	76,156	126,627	154,824	88,241	1,021,392
Special item	914,370				
<b>Total general revenues and special item</b>	<b><u>40,503,786</u></b>	<b><u>34,874,240</u></b>	<b><u>38,743,293</u></b>	<b><u>37,770,110</u></b>	<b><u>43,394,663</u></b>
<b>Changes in Net Position</b>	<b><u>\$ 1,697,855</u></b>	<b><u>\$ (3,042,700)</u></b>	<b><u>\$ 1,361,802</u></b>	<b><u>\$ (2,445,338)</u></b>	<b><u>\$ 5,945,420</u></b>



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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b>Net (Expense)/Revenue</b>	\$ (41,921,116)	\$ (43,569,735)	\$ (42,045,604)	\$ (39,222,397)	\$ (20,203,893)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	30,360,104	27,153,387	26,782,663	22,158,989	21,240,028
Property taxes, levied for debt service	1,890,045	11,539,887	14,052,492	11,085,438	10,141,961
Property taxes, levied for capital outlay	1,266,855	1,291,269	2,031,833	832,066	2,262,371
Investment income	857,957	1,365,090	1,192,289	668,542	692,078
Unrestricted state aid	9,671,592	10,224,058	9,325,420	9,806,517	
<b>Total general revenues</b>	<u>44,046,553</u>	<u>51,573,691</u>	<u>53,384,697</u>	<u>44,551,552</u>	<u>34,336,438</u>
<b>Changes in Net Position</b>	<u>\$ 2,125,437</u>	<u>\$ 8,003,956</u>	<u>\$ 11,339,093</u>	<u>\$ 5,329,155</u>	<u>\$ 14,132,545</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)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2014</b></u>	<u><b>2013</b></u>	<u><b>2012</b></u>	<u><b>2011</b></u>	<u><b>2010</b></u>
General Fund:					
Nonspendable	\$ 786,540	\$ 816,049	\$ 2,054,180	\$ 2,028,127	\$
Unassigned	483,980	3,241,699	3,930,470	7,003,866	
Reserved					943,229
Unreserved					5,225,465
Total General Fund	<u>\$ 1,270,520</u>	<u>\$ 4,057,748</u>	<u>\$ 5,984,650</u>	<u>\$ 9,031,993</u>	<u>\$ 6,168,694</u>
All Other Governmental Funds:					
Nonspendable	\$ 10,082	\$ 25,140	\$ 22,605	\$ 10,635	\$
Restricted	21,275,225	14,810,771	17,156,740	23,442,833	
Unassigned		(9,571)	(58,038)	(11,032)	
Reserved					11,240
Unreserved, reported in:					
Special revenue funds					3,360,910
Capital projects funds					18,359,276
Debt service fund					1,285,697
Total all other governmental funds	<u>\$ 21,285,307</u>	<u>\$ 14,826,340</u>	<u>\$ 17,121,307</u>	<u>\$ 23,442,436</u>	<u>\$ 23,017,123</u>

**(Continued)**

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
General Fund:					
Reserved	246,551	207,064	163,346	154,224	359,731
Unreserved	1,189,467	(160,139)	596,618	(125,411)	2,451,003
Total General Fund	<u>\$ 1,436,018</u>	<u>\$ 46,925</u>	<u>\$ 759,964</u>	<u>\$ 28,813</u>	<u>\$ 2,810,734</u>
All Other Governmental Funds:					
Reserved	16,842	16,461	24,701	11,631	9,823
Unreserved, reported in:					
Special revenue funds	2,842,154	3,663,349	3,790,852	3,691,260	3,299,098
Capital projects funds	17,256,173	17,239,361	18,433,462	5,432,647	13,174,437
Debt service fund	3,325,368	3,719,082	2,858,240	1,248,183	1,138,014
Total all other governmental funds	<u>\$ 23,440,537</u>	<u>\$ 24,638,253</u>	<u>\$ 25,107,255</u>	<u>\$ 10,383,721</u>	<u>\$ 17,621,372</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)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2014</b></u>	<u><b>2013</b></u>	<u><b>2012</b></u>	<u><b>2011</b></u>	<u><b>2010</b></u>
<b>Federal sources:</b>					
Federal grants	\$ 1,680,750	\$ 1,907,464	\$ 2,523,625	\$ 2,200,696	\$ 2,096,599
State Fiscal Stabilization (ARRA)				88,421	1,021,392
Education Jobs		42,576		1,137,722	
National School Lunch Program	373,130	335,646	355,380	341,867	341,383
Total federal sources	<u>2,053,880</u>	<u>2,285,686</u>	<u>2,879,005</u>	<u>3,768,706</u>	<u>3,459,374</u>
<b>State sources:</b>					
State equalization assistance	7,260,464	6,276,607	6,790,404	8,224,807	7,495,936
State grants	226,635	236,203	269,092	206,318	349,514
School Facilities Board	10,759	502,253	5,404,944	18,465	76,362
Other revenues	2,157,876	1,892,496	1,683,552	1,509,760	1,629,730
Total state sources	<u>9,655,734</u>	<u>8,907,559</u>	<u>14,147,992</u>	<u>9,959,350</u>	<u>9,551,542</u>
<b>Local sources:</b>					
Property taxes	29,200,643	25,615,021	24,359,425	28,319,662	31,035,587
Food service sales	1,208,929	1,216,766	1,204,436	1,360,349	1,344,519
Investment income	200,275	91,540	133,569	288,126	322,325
Other revenues	3,706,068	4,566,129	3,968,922	3,736,000	3,821,017
Total local sources	<u>34,315,915</u>	<u>31,489,456</u>	<u>29,666,352</u>	<u>33,704,137</u>	<u>36,523,448</u>
<b>Total revenues</b>	<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>	<u><u>\$ 49,534,364</u></u>

(Continued)

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b>Federal sources:</b>					
Federal grants	\$ 1,561,990	\$ 1,621,704	\$ 1,292,832	\$ 1,841,034	\$ 1,461,764
National School Lunch Program	243,156	200,015	207,288	187,459	176,307
Total federal sources	<u>1,805,146</u>	<u>1,821,719</u>	<u>1,500,120</u>	<u>2,028,493</u>	<u>1,638,071</u>
<b>State sources:</b>					
State equalization assistance	7,055,819	7,096,055	6,559,187	5,318,758	5,625,476
State grants	687,585	488,498	364,457	329,937	267,147
School Facilities Board		156,903	291,008	2,206,559	3,566,743
Other revenues	1,930,412	3,021,674	2,473,327	2,281,200	1,937,571
Total state sources	<u>9,673,816</u>	<u>10,763,130</u>	<u>9,687,979</u>	<u>10,136,454</u>	<u>11,396,937</u>
<b>Local sources:</b>					
Property taxes	31,623,925	39,523,769	43,068,812	33,774,315	33,665,255
Food service sales	1,461,798	1,433,947	1,296,946	1,253,058	957,631
Investment income	859,713	1,365,983	1,192,289	668,542	692,078
Other revenues	3,706,761	3,694,447	3,571,283	3,324,368	3,495,789
Total local sources	<u>37,652,197</u>	<u>46,018,146</u>	<u>49,129,330</u>	<u>39,020,283</u>	<u>38,810,753</u>
<b>Total revenues</b>	<u>\$ 49,131,159</u>	<u>\$ 58,602,995</u>	<u>\$ 60,317,429</u>	<u>\$ 51,185,230</u>	<u>\$ 51,845,761</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)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2014</b></u>	<u><b>2013</b></u>	<u><b>2012</b></u>	<u><b>2011</b></u>	<u><b>2010</b></u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 19,956,474	\$ 19,309,760	\$ 20,127,052	\$ 22,690,299	\$ 20,848,688
Support services - students and staff	5,309,677	5,085,447	5,292,987	5,126,342	4,638,348
Support services - administration	3,724,938	3,498,506	3,865,296	4,176,561	3,812,313
Operation and maintenance of plant services	5,034,582	4,906,431	5,065,308	5,414,750	5,689,178
Student transportation services	2,518,723	2,450,771	2,468,730	2,763,286	2,368,863
Operation of non-instructional services	3,211,608	3,026,254	3,306,450	3,307,130	3,381,642
Capital outlay	4,689,365	4,659,288	13,722,180	5,046,206	2,019,093
Debt service -					
Judgments against the district					
Interest and fiscal charges	926,059	1,006,517	1,061,841	806,300	908,053
Principal retirement	1,687,166	1,726,000	1,190,000	1,085,000	2,250,000
Bond issuance costs					
<b>Total expenditures</b>	<u><u>\$ 47,058,592</u></u>	<u><u>\$ 45,668,974</u></u>	<u><u>\$ 56,099,844</u></u>	<u><u>\$ 50,415,874</u></u>	<u><u>\$ 45,916,178</u></u>
Expenditures for capitalized assets	\$ 3,359,683	\$ 2,688,108	\$ 12,339,474	\$ 2,786,695	\$ 1,059,912
Debt service as a percentage of noncapital expenditures	6%	6%	5%	4%	7%

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 22,267,546	\$ 22,719,991	\$ 20,945,265	\$ 20,189,359	\$ 18,759,951
Support services - students and staff	5,327,745	5,711,886	5,112,003	4,571,909	3,281,925
Support services - administration	3,767,994	3,996,180	3,973,626	3,566,992	3,032,514
Operation and maintenance of plant services	5,197,839	5,039,423	4,565,519	3,867,420	3,149,771
Student transportation services	2,356,392	2,335,010	2,342,231	1,998,254	1,832,789
Operation of non-instructional services	4,774,262	4,929,451	4,694,177	4,069,046	4,227,204
Capital outlay	1,834,314	3,070,947	4,793,248	16,049,274	15,933,402
Debt service -					
Judgments against the district	90,263				
Interest and fiscal charges	1,121,003	1,428,239	1,868,623	1,482,934	2,141,744
Principal retirement	2,242,292	10,589,387	11,995,993	10,190,665	9,068,102
Bond issuance costs			139,524	75,816	
<b>Total expenditures</b>	<u>\$ 48,979,650</u>	<u>\$ 59,820,514</u>	<u>\$ 60,430,209</u>	<u>\$ 66,061,669</u>	<u>\$ 61,427,402</u>
Expenditures for capitalized assets	\$ 621,681	\$ 1,334,792	\$ 2,584,825	\$ 12,626,470	\$ 11,802,563
Debt service as a percentage of noncapital expenditures	7%	21%	24%	22%	23%

**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)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (1,033,063)	\$ (2,986,273)	\$ (9,406,495)	\$ (2,983,681)	\$ 3,618,186
<b>Other financing sources (uses):</b>					
Capital lease agreements	3,834,999			5,188,000	
Transfers in	1,788,048	688,461	151,699	134,447	165,512
Transfers out	(1,788,048)	(688,461)	(151,699)	(134,447)	(165,512)
Proceeds from sale of capital asset	914,370				
Total other financing sources (uses)	4,749,369			5,188,000	
<b>Changes in fund balances</b>	\$ 3,716,306	\$ (2,986,273)	\$ (9,406,495)	\$ 2,204,319	\$ 3,618,186
	<b><u>2009</u></b>	<b><u>2008</u></b>	<b><u>2007</u></b>	<b><u>2006</u></b>	<b><u>2005</u></b>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ 151,509	\$ (1,217,519)	\$ (112,780)	\$ (14,876,439)	\$ (9,581,641)
<b>Other financing sources (uses):</b>					
General obligation bonds issued			15,000,000	5,000,000	
Premium on sale of bonds			223,038	60,566	
Capital lease agreements			322,235		974,604
Transfers in	337,246	549,495	575,005	168,340	271,943
Transfers out	(337,246)	(549,495)	(575,005)	(168,340)	(271,943)
Total other financing sources (uses)			15,545,273	5,060,566	974,604
<b>Changes in fund balances</b>	\$ 151,509	\$ (1,217,519)	\$ 15,432,493	\$ (9,815,873)	\$ (8,607,037)

**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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Commercial, Industrial, Utilities and Mining	\$ 129,589,031	\$ 148,541,165	\$ 161,806,837	\$ 193,700,776	\$ 184,884,114
Agricultural and Vacant	168,124,347	207,142,253	304,082,380	468,547,673	480,214,688
Residential (Owner Occupied)	972,673,961	1,204,211,137	1,280,523,293	1,579,253,405	1,661,516,032
Residential (Rental)	<u>291,595,722</u>	<u>56,081,436</u>	<u>61,756,765</u>	<u>71,960,350</u>	<u>68,081,955</u>
Total	<u>\$ 1,561,983,061</u>	<u>\$ 1,615,975,991</u>	<u>\$ 1,808,169,275</u>	<u>\$ 2,313,462,204</u>	<u>\$ 2,394,696,789</u>
Estimated Actual Value (Full Cash Value)	\$ 15,070,782,027	\$ 15,513,735,011	\$ 16,848,581,775	\$ 22,100,245,210	\$ 25,943,331,475
Ratio of Primary Assessed Value to Estimated Actual Value	10.36%	10.42%	10.73%	10.47%	9.23%

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Commercial, Industrial, Utilities and Mining	\$ 174,373,153	\$ 140,859,175	\$ 126,007,670	\$ 119,393,856	\$ 107,668,285
Agricultural and Vacant	415,305,541	274,946,316	247,733,804	225,512,314	207,446,779
Residential (Owner Occupied)	1,478,422,716	1,011,117,089	878,440,734	798,068,087	714,757,379
Residential (Rental)	<u>60,480,107</u>	<u>46,938,124</u>	<u>33,332,452</u>	<u>22,997,384</u>	<u>19,651,607</u>
Total	<u>\$ 2,128,581,517</u>	<u>\$ 1,473,860,704</u>	<u>\$ 1,285,514,660</u>	<u>\$ 1,165,971,641</u>	<u>\$ 1,049,524,050</u>
Estimated Actual Value (Full Cash Value)	\$ 25,433,321,027	\$ 17,096,143,785	\$ 12,469,310,229	\$ 11,346,523,066	\$ 10,327,499,509
Ratio of Primary Value to Estimated Actual Value	8.37%	8.62%	10.31%	10.28%	10.16%

**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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Commerical, Industrial, Utilities and Mining	\$ 129,774,897	\$ 148,735,143	\$ 162,670,323	\$ 217,271,880	\$ 225,518,934
Agricultural and Vacant	182,799,970	211,706,707	312,529,276	548,998,306	730,773,303
Residential (Owner Occupied)	974,832,815	1,206,087,128	1,282,114,979	1,595,525,926	1,845,108,603
Residential (Rental)	<u>292,071,068</u>	<u>56,161,567</u>	<u>61,877,244</u>	<u>73,744,535</u>	<u>78,869,001</u>
Total	<u>\$ 1,579,478,750</u>	<u>\$ 1,622,690,545</u>	<u>\$ 1,819,191,822</u>	<u>\$ 2,435,540,647</u>	<u>\$ 2,880,269,841</u>
Ratio of Secondary Assessed Value to Estimated Actual	10.48%	10.46%	10.80%	11.02%	11.10%

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Commerical, Industrial, Utilities and Mining	\$ 210,164,471	\$ 162,388,761	\$ 147,088,399	\$ 129,833,451	\$ 118,726,783
Agricultural and Vacant	625,909,916	381,516,356	337,097,986	281,462,718	290,799,847
Residential (Owner Occupied)	1,879,318,907	1,295,074,392	903,876,941	854,126,917	757,987,486
Residential (Rental)	<u>80,554,238</u>	<u>68,069,251</u>	<u>35,551,700</u>	<u>25,160,872</u>	<u>20,931,411</u>
Total	<u>\$ 2,795,947,532</u>	<u>\$ 1,907,048,760</u>	<u>\$ 1,423,615,026</u>	<u>\$ 1,290,583,958</u>	<u>\$ 1,188,445,527</u>
Ratio of Secondary Assessed Value to Estimated Actual	10.99%	11.15%	11.42%	11.37%	11.51%

**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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Commercial, Industrial, Utilities and Mining	20 %	20 %	20 %	21 %	22 %
Agricultural and Vacant	16	16	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	15	15	15	17	18

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Commercial, Industrial, Utilities and Mining	23 %	24 %	25 %	25 %	25 %
Agricultural and Vacant	16	16	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	20	21	22	21	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										
	State Equalization	County	Tatum Ranch Community Facilities District	Flood Control District	Community College District	Central Arizona Water	City of Phoenix	City of Scottsdale	District Direct Rates		
									Primary	Secondary	Total
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
2005	0.00	1.21	1.51	0.21	1.04	0.12	1.82	1.07	2.53	1.05	3.58

**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>2014</u>		<u>2005</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	\$ 28,402,507	3.23 %	\$ 14,347,042	2.51 %
VHS of South Phoenix Inc.	8,810,291	1.00	7,647,435	1.34
Cardinal Capital Co.	7,137,788	0.81		
First American Title Ins. CO TR 785	6,695,122	0.76	5,299,496	0.93
Southwest Gas Corporation (T&D)	6,014,656	0.68	4,895,530	0.86
Wigwam Inn Inc.	5,988,515	0.68		
Mirabella Avondale Apartments LLC	5,818,000	0.66		
Macy's Corporate Services Inc	4,549,039	0.52		
The Market at Estrella Falls LLC	4,528,195	0.52		
DH Goodyear LLC	4,435,417	0.50		
Suncor Development Company			12,843,397	2.25
KabutoArizona Properties LLC			11,080,597	1.94
Rubbermaid Incorporated			7,881,323	1.38
Cox Communications & Telecom			7,302,194	1.28
Qwest Corporation			7,184,610	1.26
Fidelity National Title Company			5,502,674	0.96
Dos Palos Partner LLC			3,956,514	0.69
PVPW Corp			3,944,260	0.69
Total	<u>\$ 82,379,530</u>	<u>8.34 %</u>	<u>\$ 91,885,072</u>	<u>16.09 %</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**

<b>Fiscal Year Ended June 30</b>	<b>Taxes Levied for the Fiscal Year</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Fiscal Years</b>	<b>Collected to the End of the Current Fiscal Year</b>	
		<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2014	\$ 36,888,261	\$ 33,829,532	91.71 %	\$	\$ 33,829,532	91.71 %
2013	31,838,024	29,299,375	92.03	2,537,977	31,837,352	100.00
2012	30,677,099	28,018,145	91.33	1,986,734	30,004,879	97.81
2011	36,772,529	34,356,950	93.43	2,413,268	36,770,218	99.99
2010	39,132,503	33,472,334	85.54	3,022,974	36,495,308	93.26
2009	39,698,231	35,676,380	89.87	3,388,307	39,064,687	98.40
2008	47,329,890	44,882,870	94.83	2,445,479	47,328,349	100.00
2007	50,104,894	47,891,589	95.58	2,212,259	50,103,848	100.00
2006	39,904,534	37,754,996	94.61	2,147,935	39,902,931	100.00
2005	33,773,728	32,004,814	94.76	1,767,914	33,772,728	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	
2014	\$ 14,975,000	\$ 207,463	\$ 14,767,537	0.10 %	\$ 252	\$ 7,994,833	\$ 22,969,833	0.15 %	\$ 387	0.02 %	
2013	16,175,000	213,406	15,961,594	0.10	286	4,622,000	20,797,000	0.14	367	0.01	
2012	17,325,000	172,981	17,152,019	0.10	312	5,148,000	22,473,000	0.15	404	0.02	
2011	18,410,000	238,406	18,171,594	0.08	338	5,188,000	23,598,000	0.16	434	0.02	
2010	20,660,000	2,250,000	18,410,000	0.07	383		20,660,000	0.14	383	0.01	
2009	22,795,000	2,135,000	20,660,000	0.08	412		22,795,000	0.15	412	0.02	
2008	33,075,000	10,280,000	22,795,000	0.13	606	107,792	33,182,792	0.22	608	0.03	
2007	44,615,000	11,540,000	33,075,000	0.27	897	416,679	45,031,679	0.30	905	0.04	
2006	39,450,000	9,835,000	29,615,000	0.26	825	550,437	40,000,437	0.27	836	0.04	
2005	42,600,000	8,150,000	34,450,000	0.33	931	906,102	43,506,102	0.29	951	0.04	

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

**CAVE CREEK UNIFIED SCHOOL DISTRICT NO. 93**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**JUNE 30, 2014**

<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	\$ 766,085,000	3.92 %	30,030,532
Tatum Ranch Community Facilities District	1,735,000	100.00	1,735,000
Town of Cave Creek	59,417,643	90.67	53,873,977
City of Phoenix	1,181,368,000	1.46	17,247,973
City of Scottsdale	983,764,000	17.14	168,617,150
Subtotal, Overlapping Debt			<u>271,504,632</u>
Direct:			
Cave Creek Unified School District No. 93			<u>22,969,833</u>
Total Direct and Overlapping Governmental Activities Debt			<u>\$ 294,474,465</u>

**DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS**

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Secondary Assessed Valuation		0.93 %
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 4,821	
As a Percentage of Net Secondary Assessed Valuation		18.12 %
As a Percentage of Estimated Actual Value (Full Cash Value)		1.90 %

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

- Notes:**
- 1) Estimated percentage of debt outstanding applicable to the District is calculated based on the District's secondary assessed valuation as a percentage of the secondary assessed valuation of the overlapping jurisdiction.
  - 2) Outstanding debt as of June 30, 2013 is presented for the overlapping governments as this is the most recent available information.



**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 2014:**

Secondary assessed valuation	\$ 1,579,478,750
Debt limit (20% of assessed value)	157,947,875
Debt applicable to limit	<u>14,975,000</u>
Legal debt margin	<u>\$ 142,972,875</u>

**Total Legal Debt Margin Calculation for Fiscal Year 2014:**

Secondary assessed valuation	\$ 1,579,478,750
Debt limit (30% of assessed value)	473,843,625
Debt applicable to limit	<u>14,975,000</u>
Legal debt margin	<u>\$ 458,868,625</u>

**Fiscal Year Ended June 30**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Debt Limit	\$ 473,843,625	\$ 484,792,797	\$ 545,757,547	\$ 730,662,194	\$ 864,080,952
Total net debt applicable to limit	<u>14,975,000</u>	<u>16,175,000</u>	<u>17,325,000</u>	<u>18,410,000</u>	<u>20,660,000</u>
Legal debt margin	<u>\$ 458,868,625</u>	<u>\$ 468,617,797</u>	<u>\$ 528,432,547</u>	<u>\$ 712,252,194</u>	<u>\$ 843,420,952</u>
Total net debt applicable to the limit as a percentage of debt limit	3%	3%	3%	3%	2%

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Debt Limit	\$ 838,784,260	\$ 572,114,628	\$ 427,084,508	\$ 387,175,187	\$ 356,533,658
Total net debt applicable to limit	<u>22,795,000</u>	<u>33,075,000</u>	<u>44,615,000</u>	<u>39,450,000</u>	<u>42,600,000</u>
Legal debt margin	<u>\$ 815,989,260</u>	<u>\$ 539,039,628</u>	<u>\$ 382,469,508</u>	<u>\$ 347,725,187</u>	<u>\$ 313,933,658</u>
Total net debt applicable to the limit as a percentage of debt limit	3%	6%	10%	10%	12%

**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>
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
2004	3,537,630	102,277,852	30,160	4.6	45,744

**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 2004 through 2010 is the University of Arizona, Eller College of Management, Economic and Business Research Center. For 2011 through 2013, the source of the information is the Arizona Office of Employment and Population Statistics.

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

<u>Employer</u>	<u>2014</u>		<u>2005</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
State of Arizona	49,278	2.76 %	49,145	2.71 %
Wal-Mart Stores Inc.	32,169	1.80	19,510	1.08
Banner Health Systems	25,270	1.41	14,480	0.80
City of Phoenix	14,983	0.84	13,620	0.75
Wells Fargo Company	14,713	0.82	11,000	0.61
Maricopa County	12,698	0.71	15,215	0.84
Arizona State University	12,222	0.68	10,530	0.58
Intel Corp.	11,900	0.67		
JPMorgan Chase & Co.	11,042	0.62		
Bank of America	11,000	0.62		
Apollo Group Inc.	10,000	0.56		
Mesa Public Schools	8,217	0.46		
Honeywell International Inc.			12,000	0.66
U.S. Postal Service			11,405	0.63
Bashas' Inc.			9,650	0.53
Total	<u>213,492</u>	<u>11.95 %</u>	<u>166,555</u>	<u>9.19 %</u>
Total employment	<u>1,787,700</u>		<u>1,813,000</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**

	<b>Full-time Equivalent Employees as of June 30</b>				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>Supervisory</b>					
Consultants/supervisors of instruction	6	7	7	7	7
Principals	7	7	7	7	7
Assistant principals	3	3	3	3	3
Total supervisory	<u>16</u>	<u>17</u>	<u>17</u>	<u>17</u>	<u>17</u>
<b>Instruction</b>					
Teachers	264	268	284	282	298
Other teachers (adult)	14	14	18	14	16
Other professionals (instructional)	29	30	27	28	22
Aides	75	84	82	70	62
Total instruction	<u>382</u>	<u>396</u>	<u>411</u>	<u>394</u>	<u>398</u>
<b>Student Services</b>					
Librarians	3	3	3	3	5
Transportation/Bus Drivers/Bus Aides	47	48	49	49	44
Technicians	13	15	14	15	13
Total student services	<u>63</u>	<u>66</u>	<u>66</u>	<u>67</u>	<u>62</u>
<b>Support and Administration</b>					
Support staff and administration	198	172	176	205	171
Total support and administration	<u>198</u>	<u>172</u>	<u>176</u>	<u>205</u>	<u>171</u>
<b>Total</b>	<u><u>659</u></u>	<u><u>651</u></u>	<u><u>670</u></u>	<u><u>683</u></u>	<u><u>648</u></u>

(Continued)

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b>Supervisory</b>					
Consultants/supervisors of instruction	6	7	7	6	3
Principals	8	8	8	8	8
Assistant principals	5	5	5	5	5
Total supervisory	<u>19</u>	<u>20</u>	<u>20</u>	<u>19</u>	<u>16</u>
<b>Instruction</b>					
Teachers	295	307	299	297	271
Other teachers (adult)	14	16	15	13	7
Other professionals (instructional)	26	31	30	29	20
Aides	67	74	71	63	44
Total instruction	<u>402</u>	<u>428</u>	<u>415</u>	<u>402</u>	<u>342</u>
<b>Student Services</b>					
Librarians	8	8	8	8	4
Transportation/Bus Drivers/Bus Aides	54	55	53	46	53
Technicians	15	20	18	16	11
Total student services	<u>77</u>	<u>83</u>	<u>79</u>	<u>70</u>	<u>68</u>
<b>Support and Administration</b>					
Support staff and administration	163	165	156	150	139
Total support and administration	<u>163</u>	<u>165</u>	<u>156</u>	<u>150</u>	<u>139</u>
<b>Total</b>	<u><u>661</u></u>	<u><u>696</u></u>	<u><u>670</u></u>	<u><u>641</u></u>	<u><u>565</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**

<b>Fiscal Year Ended June 30</b>	<b>Average Daily Membership</b>	<b>Operating Expenditures</b>	<b>Cost per Pupil</b>	<b>Percentage Change</b>	<b>Expenses</b>	<b>Cost per Pupil</b>	<b>Percentage Change</b>	<b>Teaching Staff</b>	<b>Pupil-Teacher Ratio</b>	<b>Percentage of Free/Reduced Students</b>
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	7.41	45,989,200	8,346	3.49	297	18.6	6.3
2005	5,303	34,284,154	6,465	13.10	42,767,560	8,065	11.74	271	19.6	6.4

**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**

	<b>Fiscal Year Ended June 30</b>									
	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>	<b><u>2009</u></b>	<b><u>2008</u></b>	<b><u>2007</u></b>	<b><u>2006</u></b>	<b><u>2005</u></b>
<b><u>Schools</u></b>										
<b>Elementary</b>										
Buildings	38	38	40	40	40	40	40	40	40	34
Square feet	368,023	368,023	383,307	383,307	383,307	383,307	383,307	383,307	383,307	297,703
Capacity	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,250
Enrollment	3,267	3,267	3,267	3,219	2,783	2,786	2,740	2,774	2,792	2,758
<b>Middle</b>										
Buildings	19	19	19	19	19	19	19	19	24	24
Square feet	214,623	214,623	214,623	214,623	214,623	214,623	214,623	214,623	204,791	204,791
Capacity	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Enrollment	814	814	814	828	1,320	1,403	1,399	1,402	1,386	1,334
<b>High</b>										
Buildings	21	21	20	20	20	20	20	20	20	20
Square feet	241,430	235,439	197,047	197,047	197,047	197,047	197,047	197,047	197,047	197,047
Capacity	1,856	1,856	1,450	1,450	1,450	1,450	1,450	1,450	1,450	1,450
Enrollment	1,703	1,703	1,703	1,785	1,757	1,756	1,726	1,662	1,573	1,458
<b>Other</b>										
Buildings	8	8	5	5	5	5	5	5	5	5
Square feet	48,635	48,635	42,875	42,875	42,875	42,875	42,875	42,875	42,875	42,875
<b><u>Administrative</u></b>										
Buildings	2	2	3	3	3	3	3	3	3	3
Square feet	15,284	15,284	5,760	5,760	5,760	5,760	5,760	5,760	5,760	5,760
<b><u>Transportation</u></b>										
Garages	1	1	1	1	1	1	1	1	1	1
Buses	56	56	56	56	56	56	56	56	56	56
<b><u>Athletics</u></b>										
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	14
Playgrounds	10	10	10	10	10	10	10	10	10	8

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