



Arizona's Most Excelling School District!

SCOTTSDALE

UNIFIED SCHOOL DISTRICT NO. 48

3811 North 44th Street, Phoenix, Arizona 85018

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Fiscal Year Ended June 30, 2012

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48

PHOENIX, ARIZONA

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

Issued by:
Finance Department

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48

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INTRODUCTORY SECTION

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Education Center
3811 North 44th Street
Phoenix, Arizona 85018-5420

Telephone: 480-484-6100
FAX: 480-484-6295
Web site: www.susd.org

November 21, 2012

Citizens and Governing Board
Scottsdale Unified School District No. 48
3811 North 44th Street
Phoenix, Arizona 85018

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 Scottsdale Unified School District No. 48 (District) for the fiscal year ended June 30, 2012.

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, 2012, 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 unqualified opinion that the District's financial statements for the fiscal year ended June 30, 2012, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditors' 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.

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

The Scottsdale Unified School District No. 48 Insurance Trust (Trust) is governed by a five-member board appointed by the District's Governing Board. Although legally separate from the District, the Trust is blended as an Internal Service Fund as if it were part of the District because its sole purpose is to provide self-insurance for losses up to certain limits and to purchase insurance for losses above the limits.

The District was founded in 1896 and encompasses approximately 115 square miles. The District is situated in the central portion of Maricopa County, Arizona in the east sector of the greater Phoenix metropolitan area. The estimated population within the District is 283,918.

The District has 31 schools on 31 sites with a 2011-12 average daily membership of 24,402, a decrease of two percent from the previous school year. Over 3,500 employees work in the District. The District has a sizable tax base of above-average income and housing values.

Sixty-four percent of the District lies in the City of Scottsdale, but does not include the entire City of Scottsdale. Almost all of the Town of Paradise Valley, a section of the City of Phoenix, and a small section of the City of Tempe are also included within the District boundaries. The District's Northeast section includes the fastest growing area in Scottsdale in both population and housing.

The City of Scottsdale was founded in 1888 and incorporated in 1951. It is located in the northeastern portion of the "Valley of the Sun". Scottsdale had a 1990 population of 130,075 and a 2011 estimated population of 283,918, an increase of 118 percent.

The Scottsdale economy today contains, in addition to its resorts, a diverse mix of financial services from banking to insurance and investment: business services from advertising and public relations to software development; computer services, professional services from major health care providers anchored by Scottsdale Memorial Health systems and the world renowned Mayo Clinic. Scottsdale boasts a highly educated population with 46% of individuals 25 or older having at least a bachelor degree which is significantly higher than State or National percentages. Additionally income levels in Scottsdale are among the highest in the State.

The major business areas in Scottsdale are the Scottsdale Airpark, Downtown Scottsdale, Southern Scottsdale and Midtown Scottsdale.

The Scottsdale Airpark is the 3rd largest employment center in the Valley. The Greater Scottsdale Airpark Area is home to over 32,000 employees and more than 2,000 businesses thirty-five of which are corporate headquarters like GoDaddy.com, Henkel Corporation, JDA Software, Hypercom and Taser International. Strategically located along the loop 101 freeway, the Airpark is home to the Scottsdale Airport, the busiest single-runway general aviation airport in the country and the largest corporate jet facility in Arizona.

Downtown Scottsdale is considered by many as the Central Business District, featuring a roughly 2 mile square area. An estimated 40,000 people work in downtown and more than 200 times that number take advantage of the four million square feet of retail, restaurants and entertainment venues. It is the corporate headquarters for businesses like Medicis Pharmaceutical, Rural/Metro, Nighthawk Radiology and Trapeze Software. Visitors enjoy the close proximity to Scottsdale's Downtown district which is home to world class shopping at Scottsdale Fashion Square, vibrant nightlife, and luxury resorts like the Theodore, Hotel Valley Ho, and the W Hotel.

Southern Scottsdale has experienced a renaissance. As the city's oldest commercial corridor, the southern portion of the city has seen an influx of economic activity and neighborhood revitalization. At the center of this redevelopment is SkySong, ASU Scottsdale Innovation Center, a research, technology and innovation center at the site of the former Los Arcos Mall. At build out, SkySong is anticipated to have approximately 1.2 million square feet of space (about 90% office); 3,000-4,000 parking spaces; open space/public plazas; and could support as many as 4,000 relatively high paying jobs. Only 10 miles from Sky Harbor International Airport, this employment area is also located in close proximity to the Loop 101 freeway and Arizona State University.

The City of Phoenix is the capital and largest city of Arizona and is the county seat as well. The city encompasses an area of over 600 square miles. Phoenix is the sixth most populous city in the United States and according to the 2010 census estimate, the population of the city was 1,445,632. The Phoenix metropolitan area is the population and economic activity center of the entire state. Phoenix is one of the leaders in the economics of the Southwestern area of the United States and is currently home to seven Fortune 500 companies: waste management company Allied Waste, electronics corporation Avnet, Apollo Group (which operates the University of Phoenix), mining company Freeport-McMoRan (recently merged with Phoenix based Phelps Dodge), retailer PetSmart and energy supplier Pinnacle West. Honeywell's Aerospace division is headquartered in Phoenix, and the valley hosts many of their avionics and mechanical facilities. Intel has one of their largest sites here, employing about 10,000 employees and 7 chip manufacturing fabs. American Express hosts their financial transactions, customer information and their entire website in Phoenix.

As a result of the population boom, the economy of Phoenix has taken on new dimensions in recent decades by moving into technology and service industries. Tourism and business services in particular now account for nearly 77 percent of the area's total employment. Another sector of growth has been financial services and banking, as several significant processing and/or regional headquarters operations call Phoenix home: American Express, Chase Bank, Bank of America, Discover Card Services, and Wells Fargo Bank. High technology and aerospace firms hold a considerable share of the manufacturing jobs throughout the state (56 percent).

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. Despite the national economic recession and foreclosure crisis, the City of Scottsdale retains fundamental economic strength due to its diversified employment base, attractiveness to new business, retail base, and strong tourism attraction. The City has seen growth in the housing sector in the first half of 2012. Interest remains high in the community because of its quality of life, value as a business location, its status as a premier tourism destination, and the economic and public infrastructure that have been put in place.

Long-term Financial Planning. The Scottsdale Unified School District is experiencing steady growth. The primary assessed value has grown at an average rate of 7.8 percent in the past eleven years. This recognized growth has allowed the District to utilize bond sale proceeds from past voter authorized bond issues. Under Arizona's "Students FIRST" school capital finance system enacted in 1998, the State of Arizona is to provide funding for the school district school capital needs. "Students FIRST" minimizes bonding for school construction, requiring a state school facilities board to approve any new school construction.

The District is in the process of completing a \$118 million bond initiative that is being used to rebuild and remodel all 7 of our middle schools, create more energy efficiencies and improve security district wide. As part of our ongoing efforts to "go green" and produce additional revenue for the District, we've entered into a partnership with SunPower that will provide solar power generating parking and playground shades at 11 schools and a positive cash flow to the District. We have successfully negotiated a zero percent interest rate for the solar power generating project, and we have a 17 year lease/purchase agreement. The first year positive cash flow to the District is \$139,955 that can be used for maintenance, operations and energy projects. The 25 year positive cash flow to SUSD is estimated at more than \$22,000,000. The schools receiving the elevated solar structures include Anasazi Elementary, Cheyenne Traditional School, Cherokee Elementary, Cochise Elementary, Laguna Elementary, Redfield Elementary, Sequoia Elementary, Copper Ridge School, Mountainside Middle, Chaparral High and Desert Mountain High. These are all A.P.S. served campuses.

AWARDS AND ACKNOWLEDGMENT

Awards. The Association of School Business Officials (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, 2011. 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, 2011. 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 2011-12 certificates.

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

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

Respectfully submitted,

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the end.

Dr. David Peterson
Superintendent

A handwritten signature in black ink, featuring a stylized 'D' and 'B' followed by a horizontal line.

Daniel O'Brien
CFO

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2011

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

President

Executive Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Scottsdale Unified School
District No. 48, Arizona

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Christopher P. Morrell

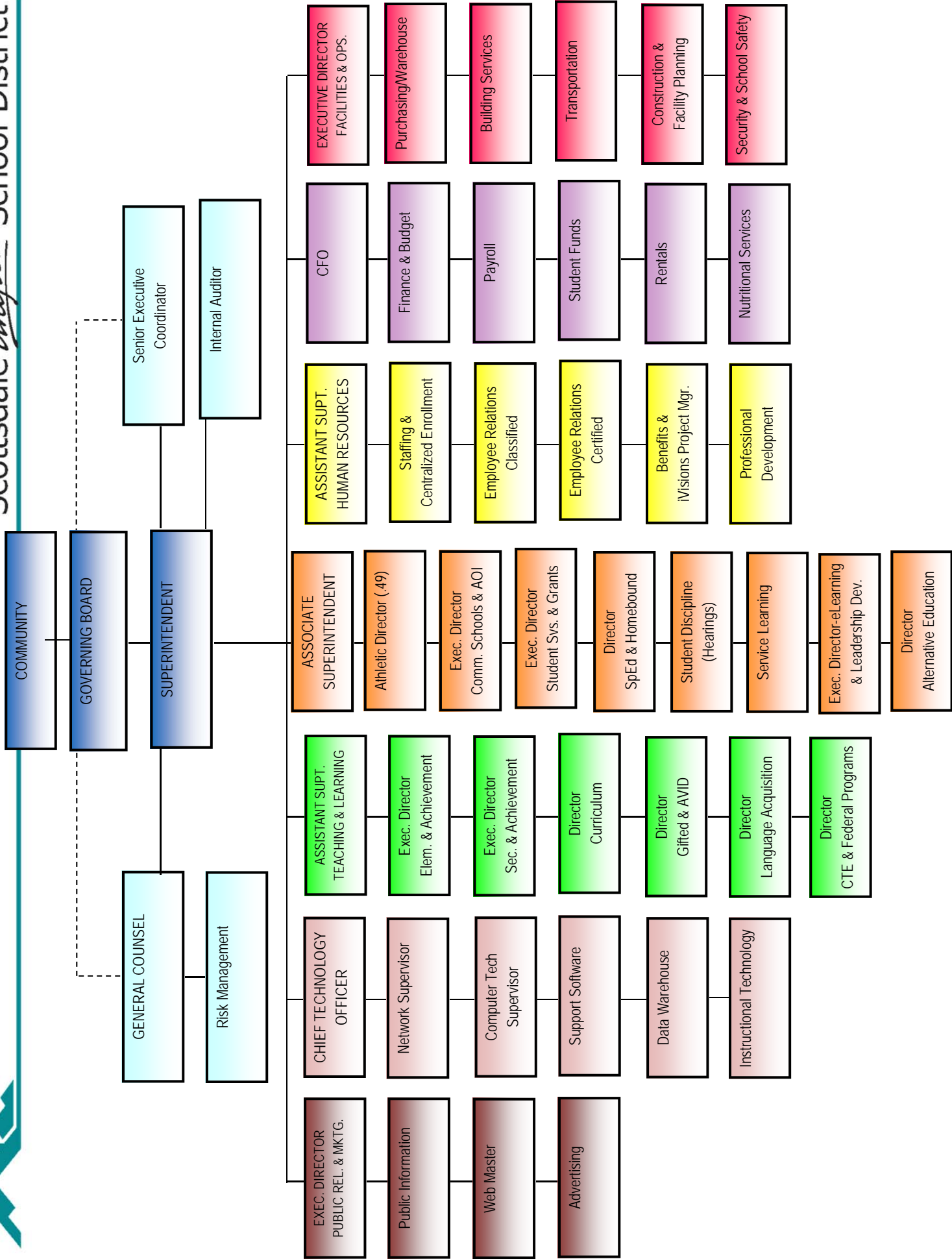
President

Jeffrey R. Enew

Executive Director



Scottsdale Unified School District



SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48

**LIST OF PRINCIPAL OFFICIALS
AS OF JUNE 30, 2012**

GOVERNING BOARD

Jennifer Petersen
President

Eric Meyer
Vice-President

Bonnie Sneed
Member

Denny Brown
Member

Pam Kirby
Member

ADMINISTRATIVE STAFF

Dr. David Peterson, Superintendent

Rick Freeman, Director of Facilities and Operations

Dr. Andi Fournalis, Assistant Superintendent for Teaching and Learning

Michelle Marshall, General Counsel

Dr. Jeff Thomas, Associate Superintendent

Clif McKenzie, Executive Director for Secondary Schools and K-12 Athletics

Dr. Milissa Sackos, Executive Director for Middle Schools and Student Services

Dr. Pam Sitton, Assistant Superintendent for Human Resources

Dr. David McNeil, Director of Assessment, Accountability and Research

Mary Lou Muccino, Director of Special Education

Tom Clark, Executive for Information Management & Technology Services

Carla Partridge, Executive Director for Communications, Partnerships & Customer Service

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

Governing Board
Scottsdale Unified School District No. 48

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Scottsdale Unified School District No. 48 (District), as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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 Scottsdale Unified School District No. 48, as of June 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2012, on our consideration of the Scottsdale Unified School District No. 48'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* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 15 and budgetary comparison information on pages 58 and 59 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The accompanying supplementary information such as 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 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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.

Heinfeld, Meech & Co., P.C.

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

November 21, 2012

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

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**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2012**

As management of the Scottsdale Unified School District No. 48 (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, 2012. 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 assets of governmental activities decreased \$6.0 million, which represents a 2 percent decrease from the prior fiscal year, as a result of a decrease in property tax revenues.
- General revenues accounted for \$208.7 million in revenue, or 85 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$37.5 million or 15 percent of total current fiscal year revenues.
- The District had approximately \$252.3 million in expenses related to governmental activities, an increase of 6 percent from the prior fiscal year.
- Among major funds, the General Fund had \$155.1 million in current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$158.7 million in expenditures. The General Fund's fund balance decrease from \$31.4 million at the prior fiscal year end to \$14.2 million at the end of the current fiscal year was primarily due to a decrease in reserve for prepaid insurance.
- Net assets for the Internal Service Funds decreased \$2.9 million from the prior fiscal year as a result of a decrease in contribution revenue. Operating expenses of \$5.1 million exceeded operating revenues of \$1.9 million at the end of the current fiscal year.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements 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.

**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2012**

OVERVIEW OF FINANCIAL STATEMENTS (Cont'd)

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.

The statement of net assets presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

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

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

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2012

OVERVIEW OF FINANCIAL STATEMENTS (Cont'd)

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 decision. 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.

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

Proprietary funds. The District maintains one type of proprietary fund. The internal service funds are accounting devices used to accumulate and allocate costs internally among the District's various functions. The District uses its internal service funds to account for its Insurance Trust activity. Because this service predominantly benefits governmental functions, it has been included within governmental activities in the government-wide financial statements. The Insurance Trust, although a legally separate component unit, functions for all employees of the District, and therefore has been included as an internal service fund. Other internal service funds include (1) the Print Shop Fund, which accounts for District charges to other departments for printing and copying services, and (2) the Intergovernmental Agreements Fund, which accounts for financial activities relating to agreements with other governments not required to be accounted for elsewhere. Because these activities predominately benefit governmental functions, they have been included within governmental activities in the government-wide financial statements.

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

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

**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2012**

OVERVIEW OF FINANCIAL STATEMENTS (Concl'd)

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 assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$258.9 million at the current year end.

The largest portion of the District's net assets reflects its investment in capital assets (e.g., land, land and improvements, buildings and improvements, and vehicles, and furniture and equipment and construction in progress), less any related debt used to acquire those assets that is still outstanding. 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 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 assets are restricted by statute for special purposes, debt service repayment and capital outlay investment.

**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2012**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

The following table presents a summary of the District's net assets for the fiscal years ended June 30, 2012 and June 30, 2011.

	As of <u>June 30, 2012</u>	As of <u>June 30, 2011</u>
Current and other assets	\$ 182,115,866	\$ 211,332,149
Capital assets, net	<u>474,352,383</u>	<u>397,535,385</u>
Total assets, net	<u>656,468,249</u>	<u>608,867,534</u>
Current and other liabilities	37,777,853	20,796,419
Long-term liabilities	<u>359,742,131</u>	<u>323,072,917</u>
Total liabilities	<u>397,519,984</u>	<u>343,869,336</u>
Net assets:		
Invested in capital assets, net of related debt	171,205,695	132,040,763
Restricted	38,009,432	34,824,511
Unrestricted	<u>49,733,138</u>	<u>98,132,924</u>
Total net assets	<u>\$ 258,948,265</u>	<u>\$ 264,998,198</u>

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

The District's financial position is the product of several financial transactions including the net result of activities, the 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 Assets.

- The issuance of \$59.0 million of school improvement bonds.
- The principal retirement of \$46.6 million of bonds.
- The addition of \$94.9 million in capital assets.
- The disposal of \$2.6 million of capital assets.
- The addition of \$27.4 million in capital leases.
- The decrease of \$15.0 million in prepaid items.

**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2012**

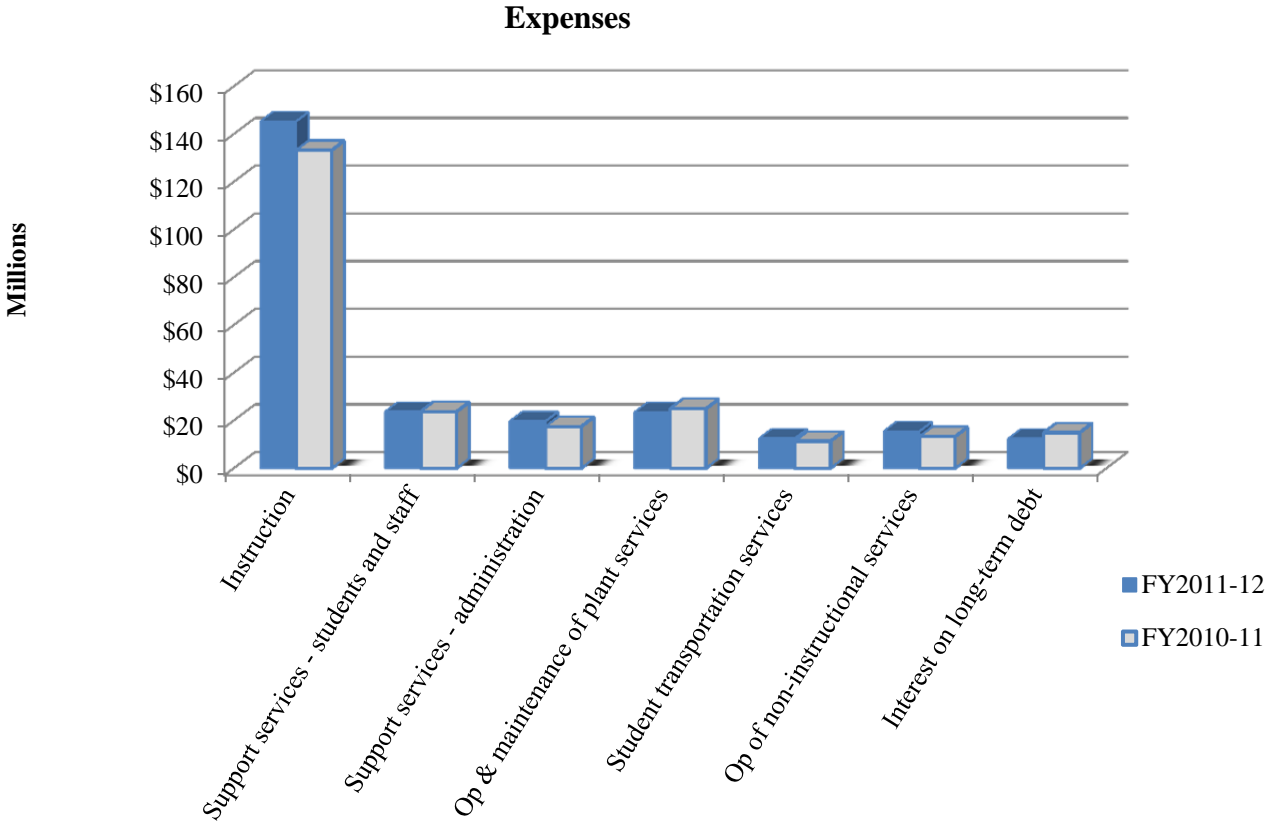
GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

Changes in net assets. The District's total revenues for the current fiscal year were \$246.2 million. The total cost of all programs and services was \$252.3 million. The following table presents a summary of the changes in net assets for the fiscal years ended June 30, 2012 and June 30, 2011.

	Fiscal Year Ended <u>June 30, 2012</u>	Fiscal Year Ended <u>June 30, 2011</u>
Revenues:		
Program revenues:		
Charges for services	\$19,129,489	\$ 18,441,709
Operating grants and contributions	17,597,115	21,362,077
Capital grants and contributions	741,507	998,268
General revenues:		
Property taxes	173,846,105	198,467,333
Investment income	599,421	1,283,196
Unrestricted state aid	33,672,103	35,244,246
Unrestricted federal aid	618,328	1,212,659
Total revenues	<u>246,204,068</u>	<u>277,009,488</u>
Expenses:		
Instruction	145,322,440	133,239,099
Support services – students and staff	23,705,530	23,699,221
Support services – administration	19,752,995	17,478,195
Operation and maintenance of plant services	23,521,103	24,948,100
Student transportation services	12,543,222	11,353,011
Operation of non-instructional services	15,497,702	13,267,755
Interest on long-term debt	11,911,009	14,928,071
Total expenses	<u>252,254,001</u>	<u>238,913,452</u>
Change in net assets	<u>\$ (6,049,933)</u>	<u>\$ 38,096,036</u>
Net assets, beginning	<u>264,998,198</u>	<u>226,902,162</u>
Net assets, ending	<u>\$ 258,948,265</u>	<u>\$ 264,998,198</u>

**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2012**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)



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

- Property taxes decreased \$24.6 million due to decreased assessed value of properties surrounding the District.
- Instruction expenses increased \$12.1 million due to the purchase of capital items that did not meet the District's capitalization threshold.
- Operating grants and contributions decreased \$3.8 million, primarily due to a decrease in ARRA funding.

**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2012**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Concl'd)

The following table presents the cost of the 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.

	Year Ended June 30, 2012		Year Ended June 30, 2011	
	Total Expenses	Net (Expense)/ Revenue	Total Expenses	Net (Expense)/ Revenue
Instruction	\$145,322,440	\$(127,319,951)	\$ 133,239,099	\$(111,697,405)
Support services – students and staff	23,705,530	(19,615,236)	23,699,221	(20,399,369)
Support services – administration	19,752,995	(19,273,846)	17,478,195	(17,026,236)
Operation and maintenance of plant services	23,521,103	(22,316,896)	24,948,100	(24,878,327)
Student transportation services	12,543,222	(12,468,211)	11,353,011	(11,311,892)
Operation of non-instructional services	15,497,702	(4,212,303)	13,267,755	1,087,723
Interest on long-term debt	11,911,009	(9,579,447)	14,928,071	(13,885,892)
Total	\$252,254,001	\$(214,785,890)	\$ 238,913,452	\$(198,111,398)

- The cost of all governmental activities this year was \$252.3 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$37.5 million.
- Net cost of governmental activities of \$214.8 million was financed by general revenues, which are made up of primarily property taxes of \$173.8 million and state aid of \$33.7 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.

**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2012**

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

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 \$86.4 million, a decrease of \$22.6 million due primarily to a decrease in reserve for prepaid items of \$15.0 million.

The General Fund comprises 16 percent of the total fund balance. Approximately \$14.1 million, or almost all of the General Fund's fund balance, is unassigned fund balance.

The General Fund is the principal operating fund of the District. The decrease in fund balance of \$17.2 million to \$14.2 million as of fiscal year end was a result of a decrease in reserve for prepaid items. General Fund revenues decreased \$4.5 million. General Fund expenditures increased \$2.9 million.

The fund balance in the Debt Service Fund increased \$2.6 million. Fund balance in this fund changes as resources needed to service the District's debt fluctuates.

The fund balance in the Bond Building Fund was \$35.6 million as of year end. The decrease in fund balance of \$10.5 million during the year was primarily due to spending bond proceeds.

The fund balance in the Energy and Water Savings Fund was \$10.4 million as of year end. The increase in fund balance of \$6.7 million during the year was primarily due to new capital lease agreements.

Proprietary funds. Unrestricted net assets of the Internal Service Funds at the end of the fiscal year amounted to \$12.6 million. The decrease of \$2.9 million from the prior fiscal year was due to a decrease in contribution revenues.

BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the General Fund annual expenditure budget for changes in budget cuts and reduction in staff. The difference between the original budget and the final amended budget was a \$602,189 increase, or less than one percent.

Significant variances for the final amended budget and actual revenues resulted from the District not being required by the State of Arizona to prepare a revenue budget. A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund is provided in this report as required supplementary information. The significant expenditure variance is summarized as follows:

**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2012**

BUDGETARY HIGHLIGHTS (Concl'd)

- The favorable variance of \$2.5 million in operation and maintenance of plant services was a result of larger prepayments made in 2010-11 to our Self Insurance Fund versus smaller prepayments in 2011-12.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At year end, the District had invested \$659.6 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$92.3 million from the prior fiscal year, primarily due to the disposal of several school buildings. Total depreciation expense for the current fiscal year was \$17.2 million.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2012 and June 30, 2011.

	As of <u>June 30, 2012</u>	As of <u>June 30, 2011</u>
Capital assets – non-depreciable	\$ 117,868,527	\$ 38,099,509
Capital assets – depreciable, net	<u>356,483,856</u>	<u>359,435,876</u>
Total	<u>\$ 474,352,383</u>	<u>\$ 397,535,385</u>

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

Debt Administration. At year-end, the District had \$349.1 million in long-term debt outstanding, \$28.8 million due within one year. This represents a net increase of \$37.4 million. The District entered into a new \$27.3 million capital lease. In addition, the District sold \$59.0 million in school improvement bonds while also paying \$46.6 million in existing bonded debt.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 30 percent of the total secondary assessed valuation) and the statutory debt limit on Class B bonds (the greater of 10 percent of the secondary assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$1.5 billion and the Class B debt limit is \$496.0 million, which are more than the District's total outstanding general obligation and Class B debt, respectively.

Additional information on the District's long-term debt can be found in Notes 7 - 9.

**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2012**

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 2012-13 budget. Among them:

- Fiscal year 2011-12 budget balance carry forward (\$4,995,292 for Maintenance and Operations and \$38,704 for Career Ladder).
- District student population (24,687)

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 one percent to \$155.3 million in fiscal year 2012-13. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2012-13 budget.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Finance Department, Scottsdale Unified School District No. 48, 3811 North 44th Street, Phoenix, Arizona 85018.

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
STATEMENT OF NET ASSETS
JUNE 30, 2012

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 146,735,890
Property taxes receivable	23,212,176
Accounts receivable	358,223
Deposits	200,000
Interest receivable	269,517
Due from governmental entities	11,070,533
Inventory	269,527
Total current assets	182,115,866
Noncurrent assets:	
Land	26,951,811
Land improvements	17,591,774
Buildings and improvements	486,629,496
Vehicles, furniture and equipment	37,500,462
Construction in progress	90,916,716
Accumulated depreciation	(185,237,876)
Total noncurrent assets	474,352,383
Total assets	656,468,249
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	8,552,983
Construction contracts payable	19,504,263
Claims payable	50,307
Accrued payroll and employee benefits	1,970,757
Compensated absences payable	496,595
Accrued interest payable	7,442,260
Unearned revenues	257,283
Obligations under capital leases	4,773,824
Bonds payable	24,005,000
Total current liabilities	67,053,272
Noncurrent liabilities:	
Non-current portion of long-term obligations	330,466,712
Total noncurrent liabilities	330,466,712
Total liabilities	397,519,984
<u>NET ASSETS</u>	
Invested in capital assets, net of related debt	171,205,695
Restricted for:	
Federal and state projects	986,609
Food service	2,446,760
Other local initiatives	4,694,049
Debt service	11,569,252
Capital outlay	18,312,762
Unrestricted	49,733,138
Total net assets	\$ 258,948,265

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2012

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
Instruction	\$ 145,322,440	\$ 11,142,937	\$ 6,118,045	\$ 741,507	\$ (127,319,951)
Support services - students and staff	23,705,530		4,090,294		(19,615,236)
Support services - administration	19,752,995		479,149		(19,273,846)
Operation and maintenance of plant services	23,521,103	965,113	239,094		(22,316,896)
Student transportation services	12,543,222		75,011		(12,468,211)
Operation of non-instructional services	15,497,702	7,021,439	4,263,960		(4,212,303)
Interest on long-term debt	11,911,009		2,331,562		(9,579,447)
Total governmental activities	<u>\$ 252,254,001</u>	<u>\$ 19,129,489</u>	<u>\$ 17,597,115</u>	<u>\$ 741,507</u>	<u>(214,785,890)</u>
 General revenues:					
Taxes:					
					127,589,580
					35,177,583
					11,078,942
					599,421
					33,672,103
					618,328
					<u>208,735,957</u>
					 (6,049,933)
					 <u>264,998,198</u>
					 <u>\$ 258,948,265</u>

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

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FUND FINANCIAL STATEMENTS

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2012

	General	Debt Service	Bond Building
<u>ASSETS</u>			
Cash and investments	\$ 8,725,175	\$ 40,998,237	\$ 47,794,284
Property taxes receivable	21,804,356	868,913	
Accounts receivable	28,159		
Deposits			
Interest receivable		192,259	77,258
Due from governmental entities	5,736,252	957,103	
Due from other funds	2,974,353		
Inventory	39,353		
Total assets	\$ 39,307,648	\$ 43,016,512	\$ 47,871,542
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 3,462,195	\$	\$
Construction contracts payable			12,304,517
Due to other funds			
Accrued payroll and employee benefits	1,433,536		
Deferred revenues	20,251,464	504,389	
Bonds payable		24,005,000	
Bond interest payable		7,442,260	
Total liabilities	25,147,195	31,951,649	12,304,517
Fund balances (deficits):			
Nonspendable	39,353		
Restricted		11,064,863	35,567,025
Unassigned	14,121,100		
Total fund balances	14,160,453	11,064,863	35,567,025
 Total liabilities and fund balances	\$ 39,307,648	\$ 43,016,512	\$ 47,871,542

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

<u>Energy and Water Savings</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 17,525,763	\$ 17,049,662	\$ 132,093,121
	538,907	23,212,176
87,965	52,477	168,601
	200,000	200,000
		269,517
	4,377,178	11,070,533
		2,974,353
	230,174	269,527
<u>\$ 17,613,728</u>	<u>\$ 22,448,398</u>	<u>\$ 170,257,828</u>
\$ 7,199,746	\$ 2,917,514	\$ 6,379,709
		19,504,263
	2,974,353	2,974,353
	537,221	1,970,757
	833,800	21,589,653
		24,005,000
		7,442,260
<u>7,199,746</u>	<u>7,262,888</u>	<u>83,865,995</u>
10,413,982	230,174	269,527
	15,220,400	72,266,270
	(265,064)	13,856,036
<u>10,413,982</u>	<u>15,185,510</u>	<u>86,391,833</u>
<u>\$ 17,613,728</u>	<u>\$ 22,448,398</u>	<u>\$ 170,257,828</u>

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SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2012

Total governmental fund balances **\$ 86,391,833**

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

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

Governmental capital assets	\$ 659,590,259	
Less accumulated depreciation	<u>(185,237,876)</u>	474,352,383

Some revenues will not be available to pay for current period expenditures and, therefore, are deferred in the funds.

Property taxes	21,176,966	
Intergovernmental	<u>155,404</u>	21,332,370

The Internal Service Funds are used by management to charge certain costs to individual funds. The assets and liabilities of the Internal Service Funds are included in the Statement of Net Assets.

12,608,810

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

Compensated absences payable	(10,691,694)	
Obligations under capital leases	(38,000,437)	
Bonds payable	<u>(287,045,000)</u>	<u>(335,737,131)</u>

Net assets of governmental activities **\$ 258,948,265**

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2012

	<u>General</u>	<u>Debt Service</u>	<u>Bond Building</u>
Revenues:			
Other local	\$ 4,196,107	\$ 35,259	\$ 34,071
Property taxes	124,619,024	36,126,694	
State aid and grants	25,700,715		
Federal aid, grants and reimbursements	618,328	1,914,206	
Total revenues	<u>155,134,174</u>	<u>38,076,159</u>	<u>34,071</u>
Expenditures:			
Current -			
Instruction	94,865,400		
Support services - students and staff	15,170,824		
Support services - administration	16,535,863		
Operation and maintenance of plant services	21,097,506		
Student transportation services	8,713,111		
Operation of non-instructional services	386,115		
Capital outlay	1,558,500		69,410,580
Debt service -			
Principal retirement	321,521	24,505,000	
Interest and fiscal charges	23,300	13,742,025	
Bond issuance costs			369,500
Total expenditures	<u>158,672,140</u>	<u>38,247,025</u>	<u>69,780,080</u>
Excess (deficiency) of revenues over expenditures	<u>(3,537,966)</u>	<u>(170,866)</u>	<u>(69,746,009)</u>
Other financing sources (uses):			
Transfers in	1,112,817	2,793,635	
Transfers out	(691,020)		(2,793,635)
Capital lease agreements	955,352		
Issuance of school improvement bonds			59,000,000
Premium on sale of bonds			2,991,292
Total other financing sources (uses):	<u>1,377,149</u>	<u>2,793,635</u>	<u>59,197,657</u>
Changes in fund balances	<u>(2,160,817)</u>	<u>2,622,769</u>	<u>(10,548,352)</u>
Fund balances, beginning of year	31,382,817	8,442,094	46,115,377
Increase (decrease) in reserve for prepaid items	(15,000,000)		
Increase (decrease) in reserve for inventory	(61,547)		
Fund balances, end of year	<u>\$ 14,160,453</u>	<u>\$ 11,064,863</u>	<u>\$ 35,567,025</u>

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

Energy and Water Savings	Non-Major Governmental Funds	Total Governmental Funds
\$ 342,931	\$ 14,799,790	\$ 19,408,158
	11,771,401	172,517,119
	8,511,993	34,212,708
417,356	15,331,719	18,281,609
760,287	50,414,903	244,419,594
	14,596,102	109,461,502
	5,205,150	20,375,974
	514,723	17,050,586
	347,390	21,444,896
	549,526	9,262,637
	13,737,431	14,123,546
20,015,754	16,934,534	107,919,368
601,907	1,457,461	26,885,889
576,073	145,322	14,486,720
		369,500
21,193,734	53,487,639	341,380,618
(20,433,447)	(3,072,736)	(96,961,024)
691,021		4,597,473
	(1,112,818)	(4,597,473)
26,418,392		27,373,744
		59,000,000
		2,991,292
27,109,413	(1,112,818)	89,365,036
6,675,966	(4,185,554)	(7,595,988)
3,738,016	19,309,486	108,987,790
		(15,000,000)
	61,578	31
\$ 10,413,982	\$ 15,185,510	\$ 86,391,833

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2012

Net changes in fund balances - total governmental funds **\$ (22,595,957)**

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

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

Expenditures for capitalized assets	\$ 94,858,506	
Less current year depreciation	<u>(17,238,646)</u>	77,619,860

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

Issuance of school improvement bonds	(59,000,000)	
Obligations under capital leases	<u>(27,373,744)</u>	(86,373,744)

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

Property taxes	1,282,905	
Intergovernmental	<u>134,736</u>	1,417,641

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

Capital lease principal retirement	2,380,889	
Bond principal retirement	<u>24,505,000</u>	26,885,889

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.

Loss on disposal of capital assets	(802,862)	
Compensated absences	<u>743,641</u>	(59,221)

The Internal Service Funds are used by management to charge certain costs to individual funds. The changes in net assets of the Internal Service Funds are reported with governmental activities in the Statement of Activities.

(2,944,401)

Change in net assets in governmental activities **\$ (6,049,933)**

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2012

	Governmental Activities: Internal Service Funds
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 14,642,769
Accounts receivable	189,622
Total current assets	14,832,391
Total assets	14,832,391
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	2,173,274
Claims payable	50,307
Total current liabilities	2,223,581
Total liabilities	2,223,581
<u>NET ASSETS</u>	
Unrestricted	12,608,810
Total net assets	\$ 12,608,810

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS -
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

	Governmental Activities: Internal Service Funds
Operating revenues:	
Other	\$ 671,890
Contributions	1,196,371
Total operating revenues	<u>1,868,261</u>
Operating expenses:	
Other	672,997
Claims	339,278
Premiums	4,069,988
Administrative fees	51,151
Total operating expenses	<u>5,133,414</u>
Operating income (loss)	<u>(3,265,153)</u>
Nonoperating revenues (expenses):	
Investment income	320,752
Total nonoperating revenues (expenses)	<u>320,752</u>
Changes in net assets	<u>(2,944,401)</u>
Total net assets, beginning of year	15,553,211
Total net assets, end of year	<u><u>\$ 12,608,810</u></u>

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2012

	Governmental Activities: Internal Service Funds
<u>Increase in Cash and Cash Equivalents</u>	
Cash flows from operating activities:	
Cash received from contributions	\$ 1,124,392
Cash received from charges for services	671,890
Cash payments to suppliers for goods and services	(2,673,777)
Cash payments for claims	<u>(369,471)</u>
Net cash used for operating activities	<u>(1,246,966)</u>
Cash flows from investing activities:	
Proceeds from sale of investments	1,493,113
Purchase of investments	(2,488,776)
Investment income	<u>320,752</u>
Net cash used for investing activities	<u>(674,911)</u>
Net increase in cash and cash equivalents	<u>(1,921,877)</u>
Cash and cash equivalents, beginning of year	<u>5,066,084</u>
Cash and cash equivalents, end of year	<u><u>\$ 3,144,207</u></u>
<u>Reconciliation of Cash and Cash Equivalents to the Statement of Net Assets</u>	
Cash and investments	\$ 14,642,769
Less investments not maturing in less than three months	<u>11,498,562</u>
Total cash and cash equivalents	<u><u>\$ 3,144,207</u></u>
<u>Reconciliation of Operating Loss to Net Cash Used for Operating Activities</u>	
Operating loss	\$ (3,265,153)
Adjustments to reconcile operating loss to net cash used for operating activities:	
Changes in assets and liabilities:	
Increase in accounts receivable	(71,979)
Increase in accounts payable	2,120,359
Decrease in claims payable	<u>(30,193)</u>
Total adjustments	<u>2,018,187</u>
Net cash used for operating activities	<u><u>\$ (1,246,966)</u></u>

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2012

	<u>Agency</u>
<u>ASSETS</u>	
Cash and investments	\$ 16,197,134
Total assets	<u>\$ 16,197,134</u>
<u>LIABILITIES</u>	
Accounts payable	\$ 51,202
Deposits held for others	14,821,275
Due to student groups	<u>1,324,657</u>
Total liabilities	<u>\$ 16,197,134</u>

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Scottsdale Unified School District No. 48 (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.

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

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

Blended Component Unit - Blended component units, although legally separate entities, are, in substance, part of the District's operations. The Scottsdale Unified School District No. 48 Insurance Trust is responsible for providing self-insurance losses up to certain limits and to purchase insurance for losses above the limits. The District's Governing Board appoints the Trust's Board of Directors. The Scottsdale Unified School District No. 48 Insurance Trust provides services entirely to the District and therefore has been included as an Internal Service Fund in accordance with the criteria established by GASB.

Complete financial statements for the component unit may be obtained at the District's administrative offices at 3811 N. 44th St. Phoenix, AZ 85018.

B. Government-Wide and Fund Financial Statements

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

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

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

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

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

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

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

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

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

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

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

The District reports the following major governmental funds:

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

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

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

Energy and Water Savings Fund – The Energy and Water Savings Fund accounts for a designated pool of capital investment monies to fund energy or water savings projects in school facilities.

Additionally, the District reports the following fund types:

Proprietary Funds – The Proprietary Funds are Internal Service Funds that account for activities related to the District’s self-insurance program, (2) the operation of District functions that provide goods and services to other District departments on a cost reimbursement basis and (3) for the financial activities relating to agreements with other governments not required to be accounted for elsewhere.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

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

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

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

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

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

D. Cash and Investments

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

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

E. Investment Income

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

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

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.”

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

G. Property Tax Calendar

Property tax levies are obtained by applying tax rates against either the primary assessed valuation or the secondary assessed valuation. Primary and secondary valuation categories are composed of the exact same properties. However, the primary category limits the increase in property values to 10 percent 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.

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

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

H. Inventory

All inventories are valued at cost using the average cost and first-in/first-out (FIFO) 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.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

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

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

I. Prepaid Items

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

J. Capital Assets

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

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

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

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

Land improvements	7 - 40 years
Buildings and improvements	7 - 40 years
Vehicles, furniture and equipment	3 - 25 years

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

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

K. Compensated Absences

The District's employee vacation and sick leave policies generally provide for granting vacation and sick leave with pay. Certified and classified employees earn varying days of vacation and sick leave each contract year. In the event of termination, an employee is reimbursed for accrued vacation and sick leave at varying rates depending on position of classified or certified and the number of vacation and sick days accumulated. The current and long-term liabilities, including related benefits, for accumulated vacation and sick leave are reported on the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee leave, resignations and retirements. Generally, resources from the General Fund are used to pay for compensated absences.

L. Long-term Obligations

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

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

M. Interfund Activity

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

N. 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.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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

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

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

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

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.

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 expenditures 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.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

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.

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Bond Building Fund</u>	<u>Water and Energy Savings Fund</u>	<u>Non-Major Governmental Funds</u>
Fund Balances:					
Nonspendable:					
Inventory	\$ 39,353				\$ 230,174
Restricted:					
Debt service		11,064,863			
Capital projects				10,413,982	7,478,560
Bond building projects			35,567,025		
Voter approved initiatives					739,169
Food service					2,216,586
Extracurricular activities					2,348,190
Other purposes					2,437,895
Unassigned	14,121,100				(265,064)
Total fund balances	<u>\$ 14,160,453</u>	<u>\$ 11,064,863</u>	<u>\$ 35,567,025</u>	<u>\$ 10,413,982</u>	<u>\$ 15,185,510</u>

NOTE 3 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Individual Deficit Fund Balances- At year end, the Classroom Site Fund and Other Federal Projects Fund, both non-major governmental funds, reported deficit fund balances of \$262,975 and \$2,089, respectively.

The deficits arose because of operations during the year and prior years. Additional revenues received in fiscal year 2012-13 are expected to eliminate the deficit in the Other Federal Projects Fund. To continue to eliminate the Classroom Site Fund deficit, the District plans to decrease budgeted expenditures in the fund.

Excess Expenditures Over Budget – At year end, District had expenditures in several funds that exceeded the budgets, or, in some instances the funds were budgeted for no expenditures. This does not constitute a violation of any legal provisions.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

NOTE 4 - CASH AND INVESTMENTS

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

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure the District's deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District's deposits was \$16,280,474 and the bank balance was \$16,035,593. In addition, the District had \$17,221,123 of cash held with trustee and \$15,517 of cash on hand at year end.

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

NOTE 4 - CASH AND INVESTMENTS (Concl'd)

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

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less than 1	1-5	6-10
Corporate Bonds	\$ 8,443,221	\$ 998,047	\$ 7,445,174	\$
Government Bonds	312,174		119,818	192,356
Taxable Municipal Bonds	636,487	100,020	426,587	109,880
Certificates of Deposit	2,106,680	610,672	1,496,008	
		<u>\$ 710,692</u>	<u>\$ 1,922,595</u>	<u>\$ 302,236</u>
County Treasurer's investment pool	<u>117,917,348</u>	375 days average maturities		
Total	<u>\$ 129,415,910</u>			

Interest Rate Risk. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. The District has no investment policy that would further limit its investment choices. As of year end, the District's investment in the County Treasurer's investment pool did not receive a credit quality rating from a national rating agency. The District's investments in Corporate Bonds were rated from Baa1 to A1 by Moody's Investors Service and from AA- to A by Standard and Poor's. The District's investments in Government Bonds were rated AAA by Moody's Investors Service and AA+ by Standard & Poor's. The District's investments in Taxable Municipal Bonds were rated from Aaa to A1 by Moody's Investors Service and AAA to A+ by Standard & Poor's. The District's investments in Government Asset Backed Securities and Certificates of Deposits were unrated by both Moody's Investors Service and Standard & Poor's.

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.

Concentration of Credit Risk. The District places no limit on the amount the District may invest in any one issuer.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

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 fund and non-major governmental funds in the aggregate, were as follows.

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Non-Major Governmental Funds</u>
Due from governmental entities:			
Due from Federal government	\$ 69,913	\$ 957,103	\$ 2,822,204
Due from State government	<u>5,666,339</u>		<u>1,554,974</u>
Net due from governmental entities	<u>\$ 5,736,252</u>	<u>\$ 957,103</u>	<u>\$ 4,377,178</u>

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

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes receivable (General Fund)	\$ 20,251,464	\$
Delinquent property taxes receivable (Debt Service Fund)	504,389	
Delinquent property taxes receivable (Non-Major Governmental funds)	421,113	
Grant drawdowns prior to meeting all eligibility requirements (Non-Major Governmental Funds)		47,755
Unearned charges for services		209,528
Measurable but unavailable revenues (Non-Major Governmental Funds)	155,404	
Total deferred revenue for governmental funds	<u>\$ 21,332,370</u>	<u>\$ 257,283</u>

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

NOTE 6 - CAPITAL ASSETS

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

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 26,951,811	\$	\$	\$ 26,951,811
Construction in progress	11,147,698	83,593,835	3,824,817	90,916,716
Total capital assets, not being depreciated	<u>38,099,509</u>	<u>83,593,835</u>	<u>3,824,817</u>	<u>117,868,527</u>
Capital assets, being depreciated:				
Land improvements	16,570,332	1,021,442		17,591,774
Buildings and improvements	482,058,257	4,571,239		486,629,496
Vehicles, furniture and equipment	30,611,348	9,496,807	2,607,693	37,500,462
Total capital assets being depreciated	<u>529,239,937</u>	<u>15,089,488</u>	<u>2,607,693</u>	<u>541,721,732</u>
Less accumulated depreciation for:				
Land improvements	(4,868,225)	(838,476)		(5,706,701)
Buildings and improvements	(144,843,502)	(13,908,156)		(158,751,658)
Vehicles, furniture and equipment	<u>(20,092,334)</u>	<u>(2,492,014)</u>	<u>(1,804,831)</u>	<u>(20,779,517)</u>
Total accumulated depreciation	<u>(169,804,061)</u>	<u>(17,238,646)</u>	<u>(1,804,831)</u>	<u>(185,237,876)</u>
Total capital assets, being depreciated, net	<u>359,435,876</u>	<u>(2,149,158)</u>	<u>802,862</u>	<u>356,483,856</u>
Governmental activities capital assets, net	<u>\$ 397,535,385</u>	<u>\$ 81,444,677</u>	<u>\$ 4,627,679</u>	<u>\$ 474,352,383</u>

Depreciation expense was charged to governmental functions as follows.

Instruction	\$ 16,152,070
Support services - students and staff	2,918
Support services - administration	17,308
Operation and maintenance of plant services	39,857
Student transportation services	983,198
Operation of non-instructional services	43,295
Total depreciation expense - governmental activities	<u>\$ 17,238,646</u>

Construction Commitments – At year end, the District had contractual commitments related to various capital projects for renovations at multiple schools. At year end the District had spent \$90.9 million on the projects and had estimated remaining contractual commitments of \$42.4 million. These projects are being funded with bond and lease proceeds.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

NOTE 7 – OBLIGATIONS UNDER CAPITAL LEASES

The District has acquired copiers, information technology equipment, artificial turf, solar equipment and energy saving building improvements under the provisions of long-term lease agreements classified as capital leases. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. Revenues from the School Plant Fund, Unrestricted Capital Outlay Fund, Soft Capital Allocation Fund, and Energy and Water Savings Fund, are used to pay the capital lease obligations.

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

	Governmental Activities
Asset:	
Land improvements	\$ 305,866
Building improvements	8,756,280
Vehicles, furniture and equipment	1,973,359
Construction in progress	14,615,743
Less: Accumulated depreciation	(794,820)
Total	\$ 24,856,428

The future minimum lease obligations and the net present value of these minimum lease payments at year end were as follows.

		Governmental Activities
Year Ending June 30:		
	2013	\$ 7,027,808
	2014	3,852,678
	2015	3,792,534
	2016	3,662,031
	2017	3,323,136
	2018-2022	15,523,435
	2023-2027	11,698,285
	2028-2032	2,821,609
Total minimum lease payments		51,701,516
Less: amount representing interest		13,701,079
Present value of minimum lease payments		\$ 38,000,437
Due within one year		\$ 4,773,824

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

NOTE 8 – 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. In addition, a portion of the District's school improvement bonds are Qualified Build America Bonds and Qualified School Construction Bonds, as such the District will receive direct subsidy payments from the United States of America for a portion of the interest due on the bonds.

<u>Purpose</u>	<u>Original Amount Issued</u>	<u>Interest Rates</u>	<u>Remaining Maturities</u>	<u>Outstanding Principal June 30, 2012</u>	<u>Due Within One Year</u>
Governmental activities:					
School Improvement Bonds, Series 1995	\$ 16,500,000	6.6%	7/1/12	\$ 4,900,000	\$ 4,900,000
Refunding Bonds, Series 2003A	75,935,000	3.6-5.0%	7/1/12-15	51,440,000	10,220,000
Refunding Bonds, Series 2003B	57,740,000	4.00%	7/1/12-13	8,450,000	2,405,000
Refunding Bonds, Series 2004	32,190,000	5.00%	7/1/12	4,740,000	4,740,000
School Improvement Bonds, Project 2004, Series A (2005)	100,000,000	4.0-5.0%	7/1/15-24	19,500,000	
School Improvement Bonds, Project 2004, Series B (2006)	117,000,000	4.0-4.75%	7/1/16-19	24,300,000	
Refunding Bonds, Series 2007	100,600,000	4.0-5.0%	7/12/12-23	70,220,000	940,000
Refunding Bonds, Series 2010	31,000,000	5.0%	7/1/12-24	10,000,000	
School Improvement Bonds, Project 2010, Series A-1 (2010)	10,000,000	3.0-4.0%	7/1/14-16	10,000,000	
School Improvement Bonds, Project 2010, Series A-2 (2010)	25,000,000	6.21%	7/1/28	24,500,000	800,000
School Improvement Bonds, Project 2010, Series A-3 (2010)	24,000,000	5.7-6.4%	7/1/25-30	24,000,000	
School Improvement Bonds, Project 2010, Series B (2010)	59,000,000	2.0-4.75%	7/1/15-31	59,000,000	
Total				<u>\$ 311,050,000</u>	<u>\$24,005,000</u>

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

NOTE 8 – GENERAL OBLIGATION BONDS PAYABLE (Concl'd)

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

Year ending June 30:	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2013	\$ 24,005,000	\$ 14,315,701
2014	24,966,250	13,202,985
2015	22,116,250	12,180,285
2016	18,801,250	11,366,135
2017	18,281,250	10,691,785
2018-22	78,326,250	43,427,550
2023-27	72,066,250	27,259,393
2028-32	52,487,500	8,278,005
Total	<u>\$ 311,050,000</u>	<u>\$ 140,721,839</u>

In prior years, the District defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At year end, \$131,600,000 of defeased bonds are still outstanding.

NOTE 9 - CHANGES IN LONG-TERM LIABILITIES

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable	\$ 298,630,000	\$ 59,000,000	\$ 46,580,000	\$ 311,050,000	\$ 24,005,000
Obligations under capital leases	13,007,582	27,373,744	2,380,889	38,000,437	4,773,824
Compensated absences payable	11,435,335	1,882,723	2,626,364	10,691,694	496,595
Governmental activity long-term liabilities	<u>\$ 323,072,917</u>	<u>\$ 88,256,467</u>	<u>\$ 51,587,253</u>	<u>\$ 359,742,131</u>	<u>\$ 29,275,419</u>

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

NOTE 10 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At year end, interfund balances were as follows.

Due to/from other funds:

Due to	Due from Non-Major Governmental Funds
General Fund	\$ 2,974,353
Total	\$ 2,974,353

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 General Fund. All interfund balances are expected to be paid within one year.

Interfund transfers:

	Transfers in			
	General Fund	Debt Service Fund	Energy and Water Savings Fund	Total
General Fund	\$	\$	\$ 691,020	\$ 691,020
Bond Building Fund		2,793,635		2,793,635
Non-Major Governmental Funds	1,112,817			1,112,817
Total	\$ 1,112,817	\$ 2,793,635	\$ 691,020	\$ 4,597,472

Transfers between funds were used to (1) move investment income earned in the Bond Building Fund that is required by statute to be expended in the Debt Service Fund, (2) to charge indirect costs to the applicable federal programs fund, and (3) to transfer savings from companies providing utility, energy and water services as required by statute.

NOTE 11 - 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.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

NOTE 11 - CONTINGENT LIABILITIES (Concl'd)

Lawsuits - The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

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 12 - 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 became self-insured for property and liability claims up to \$10,000 and for claims in excess of \$10,000, the District joined the Arizona School Risk Retention Trust, Inc. (ASRRT). ASRRT is a public entity risk pool currently operating as a common risk management and insurance program for school districts and community colleges in the State. The District pays an annual premium to ASRRT for its general insurance coverage. The agreement provides that ASRRT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts.

The District joined the Valley Schools Employee Benefit Trust (VSEBT) for risks of loss related to employee health and accident claims. VSEBT is a public entity risk pool currently operating as a common risk management and insurance program for school districts in the State. The District pays a monthly premium to VSEBT for employees' health and accident insurance coverage. The agreement provides that VSEBT will be self-sustaining through members' premiums and will reinsure through commercial companies for claims in excess of specified amounts for each insured event.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

NOTE 12 - 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 established the Insurance Trust Fund (an Internal Service Fund) to account for risk financing of certain benefits and losses through combinations of cost-reimbursement, self-insurance for losses up to certain limits, and the purchase of insurance for losses above the limits. Under this program, the Fund provides coverage for up to a maximum of \$10,000 for each claim, not to exceed an annual aggregate of \$10,000,000. Settled claims have not exceeded this coverage in any of the past three fiscal years.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate. Changes in the balances of claims liabilities during the past two years are as follows.

<u>Insurance Trust</u>	<u>Claims Payable Beginning of Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Claims Payable at End of Year</u>
2011-12	\$ 80,500	\$ 339,278	\$ 369,471	\$ 50,307
2010-11	115,694	212,324	247,518	80,500

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

NOTE 13 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

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

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

Funding Policy – The Arizona State Legislature establishes and may amend active plan members’ and the District’s contribution rates. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 10.74 percent (10.5 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 10.74 percent (9.87 percent for retirement, 0.63 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:			
2012	\$ 11,589,557	\$ 739,759	\$ 281,813
2011	10,854,460	710,780	301,178
2010	10,671,703	844,523	511,832

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL
YEAR ENDED JUNE 30, 2012

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Other local	\$	\$	\$ 271,038	\$ 271,038
Property taxes			124,613,401	124,613,401
State aid and grants			25,674,611	25,674,611
Total revenues			<u>150,559,050</u>	<u>150,559,050</u>
Expenditures:				
Current -				
Instruction	93,711,780	94,239,252	93,256,576	982,676
Support services - students and staff	13,976,368	14,446,696	14,397,235	49,461
Support services - administration	18,075,781	16,948,221	15,687,718	1,260,503
Operation and maintenance of plant services	22,697,413	23,079,375	20,589,460	2,489,915
Student transportation services	8,035,470	8,376,553	8,300,984	75,569
Operation of non-instructional services	345,182	354,086	355,181	(1,095)
Total expenditures	<u>156,841,994</u>	<u>157,444,183</u>	<u>152,587,154</u>	<u>4,857,029</u>
Excess (deficiency) of revenues over expenditures	<u>(156,841,994)</u>	<u>(157,444,183)</u>	<u>(2,028,104)</u>	<u>155,416,079</u>
Other financing sources (uses):				
Transfers out			(691,021)	(691,021)
Total other financing sources (uses):			<u>(691,021)</u>	<u>(691,021)</u>
Changes in fund balances	<u>(156,841,994)</u>	<u>(157,444,183)</u>	<u>(2,719,125)</u>	<u>154,725,058</u>
Fund balances, beginning of year			20,924,751	20,924,751
Increase (decrease) in reserve for prepaid items			(14,600,000)	(14,600,000)
Increase (decrease) in reserve for inventory			(61,547)	(61,547)
Fund balances (deficits), end of year	<u>\$ (156,841,994)</u>	<u>\$ (157,444,183)</u>	<u>\$ 3,544,079</u>	<u>\$ 160,988,262</u>

See accompanying notes to this schedule.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2012

NOTE 1 - BUDGETARY BASIS OF ACCOUNTING

The adopted budget of the District is prepared on a basis consistent with accounting principles generally accepted in the United States of America with the following exceptions: (1) a portion of the General Fund revenues and expenditures are budgeted for separately as special revenue and capital projects funds, and (2) a portion of fiscal year 2012-13 insurance payments were charged against the fiscal year 2011-12 budget. Consequently, the following adjustments were necessary to present actual expenditures, decrease for prepaid items, fund balance at July 1, 2011 and fund balance at June 30, 2012 on a budgetary basis in order to provide a meaningful comparison.

	<u>Total</u> <u>Expenditures</u>	<u>Decrease</u> <u>for Prepaid</u> <u>Items</u>	<u>Fund Balance,</u> <u>June 30, 2012</u>	<u>Fund Balance,</u> <u>July 1, 2011</u>
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	\$ 158,672,140	\$ (15,000,000)	\$ 14,160,453	\$ 31,382,817
Fiscal year 2011-12 activity budgeted as special revenue funds	(6,482,986)		(8,960,242)	(8,840,491)
Fiscal year 2011-12 activity budgeted as capital projects funds	(2,000)		(1,656,132)	(1,617,575)
Fiscal year 2012-13 insurance payments charged against fiscal year 2011-12 budget	<u>400,000</u>	<u>400,000</u>	<u> </u>	<u> </u>
Schedule of Revenue, Expenditures and Changes in Fund Balances – Budget and Actual - General Fund	<u>\$ 152,587,154</u>	<u>\$ (14,600,000)</u>	<u>\$ 3,544,079</u>	<u>\$ 20,924,751</u>

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

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GOVERNMENTAL FUNDS

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2012

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Fund</u>
<u>ASSETS</u>			
Cash and investments	\$ 7,344,152	\$ 9,705,510	\$ 17,049,662
Property taxes receivable		538,907	538,907
Accounts receivable	52,477		52,477
Deposits	200,000		200,000
Due from governmental entities	4,377,178		4,377,178
Inventory	230,174		230,174
Total assets	<u>\$ 12,203,981</u>	<u>\$ 10,244,417</u>	<u>\$ 22,448,398</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 572,770	\$ 2,344,744	\$ 2,917,514
Due to other funds	2,974,353		2,974,353
Accrued payroll and employee benefits	537,221		537,221
Deferred revenues	412,687	421,113	833,800
Total liabilities	<u>4,497,031</u>	<u>2,765,857</u>	<u>7,262,888</u>
Fund balances (deficits):			
Nonspendable	230,174		230,174
Restricted	7,741,840	7,478,560	15,220,400
Unassigned	(265,064)		(265,064)
Total fund balances	<u>7,706,950</u>	<u>7,478,560</u>	<u>15,185,510</u>
Total liabilities and fund balances	<u>\$ 12,203,981</u>	<u>\$ 10,244,417</u>	<u>\$ 22,448,398</u>

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
YEAR ENDED JUNE 30, 2012

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:			
Other local	\$ 14,702,759	\$ 97,031	\$ 14,799,790
Property taxes		11,771,401	11,771,401
State aid and grants	8,235,005	276,988	8,511,993
Federal aid, grants and reimbursements	<u>15,331,719</u>		<u>15,331,719</u>
Total revenues	<u>38,269,483</u>	<u>12,145,420</u>	<u>50,414,903</u>
Expenditures:			
Current -			
Instruction	14,596,102		14,596,102
Support services - students and staff	5,205,150		5,205,150
Support services - administration	514,723		514,723
Operation and maintenance of plant services	347,390		347,390
Student transportation services	549,526		549,526
Operation of non-instructional services	13,737,431		13,737,431
Capital outlay	1,343,400	15,591,134	16,934,534
Debt service -			
Principal retirement		1,457,461	1,457,461
Interest and fiscal charges		145,322	145,322
Total expenditures	<u>36,293,722</u>	<u>17,193,917</u>	<u>53,487,639</u>
Excess (deficiency) of revenues over expenditures	<u>1,975,761</u>	<u>(5,048,497)</u>	<u>(3,072,736)</u>
Other financing sources (uses):			
Transfers out	<u>(1,112,818)</u>		<u>(1,112,818)</u>
Total other financing sources (uses):	<u>(1,112,818)</u>		<u>(1,112,818)</u>
Changes in fund balances	<u>862,943</u>	<u>(5,048,497)</u>	<u>(4,185,554)</u>
Fund balances, beginning of year	6,782,429	12,527,057	19,309,486
Increase (decrease) in reserve for inventory	61,578		61,578
Fund balances, end of year	<u>\$ 7,706,950</u>	<u>\$ 7,478,560</u>	<u>\$ 15,185,510</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.

County, City and Town Grants - to account for monies received from county, city and town grants.

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

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

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

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

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

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

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

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

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

E-Rate - to account for 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.

Academic Contests - to account for financial assistance received for participation in academic contests.

Gifted - to account for financial assistance received for programs for gifted students.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**SPECIAL REVENUE FUNDS
(Concluded)**

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

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

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SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2012

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>County, City, and Town Grants</u>
<u>ASSETS</u>			
Cash and investments	\$	\$ 293,623	\$ 13,719
Accounts receivable			
Deposits			
Due from governmental entities	1,107,449	445,546	
Inventory			
Total assets	<u>\$ 1,107,449</u>	<u>\$ 739,169</u>	<u>\$ 13,719</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds	1,370,424		
Accrued payroll and employee benefits			
Deferred revenues			
Total liabilities	<u>1,370,424</u>		
Fund balances (deficits):			
Nonspendable			
Restricted		739,169	13,719
Unassigned	(262,975)		
Total fund balances	<u>(262,975)</u>	<u>739,169</u>	<u>13,719</u>
Total liabilities and fund balances	<u>\$ 1,107,449</u>	<u>\$ 739,169</u>	<u>\$ 13,719</u>

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English & Immigrant Students</u>	<u>Indian Education</u>	<u>Special Education Grants</u>
\$	\$	\$	\$	\$	\$
524,781	304,422	143,047	32,520	49,122	497,830
<u>\$ 524,781</u>	<u>\$ 304,422</u>	<u>\$ 143,047</u>	<u>\$ 32,520</u>	<u>\$ 49,122</u>	<u>\$ 497,830</u>
\$ 58,761 414,887 51,133	\$ 26,442 273,942 4,038	\$ 33,803 74,810 34,434	\$ 18,990 13,530	\$ 15,330 33,792	\$ 489,806 8,024
<u>524,781</u>	<u>304,422</u>	<u>143,047</u>	<u>32,520</u>	<u>49,122</u>	<u>497,830</u>
<u>\$ 524,781</u>	<u>\$ 304,422</u>	<u>\$ 143,047</u>	<u>\$ 32,520</u>	<u>\$ 49,122</u>	<u>\$ 497,830</u>

(Continued)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2012

	<u>Johnson O'Malley</u>	<u>Vocational Education</u>	<u>E-Rate</u>
<u>ASSETS</u>			
Cash and investments	\$ 4,325	\$	\$ 100,352
Accounts receivable			
Deposits			
Due from governmental entities		50,192	411,870
Inventory			
Total assets	<u>\$ 4,325</u>	<u>\$ 50,192</u>	<u>\$ 512,222</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$ 21,338	\$
Due to other funds		28,854	264,782
Accrued payroll and employee benefits			
Deferred revenues	4,325		155,404
Total liabilities	<u>4,325</u>	<u>50,192</u>	<u>420,186</u>
Fund balances (deficits):			
Nonspendable			
Restricted			92,036
Unassigned			
Total fund balances			<u>92,036</u>
Total liabilities and fund balances	<u>\$ 4,325</u>	<u>\$ 50,192</u>	<u>\$ 512,222</u>

<u>Other Federal Projects</u>	<u>State Vocational Education</u>	<u>Academic Contests</u>	<u>Gifted</u>	<u>Other State Projects</u>	<u>Food Service</u>
\$	\$ 50,199	\$ 12,553	\$	\$ 18,851	\$ 1,620,856
					52,477
			1,979		200,000
					808,420
					230,174
<u>\$</u>	<u>\$ 50,199</u>	<u>\$ 12,553</u>	<u>\$ 1,979</u>	<u>\$ 18,851</u>	<u>\$ 2,911,927</u>
\$	\$ 16,200	\$	\$	\$ 17,219	\$ 176,300
2,087			1,979		
	4,756				79,339
2	29,243	12,553		1,632	209,528
<u>2,089</u>	<u>50,199</u>	<u>12,553</u>	<u>1,979</u>	<u>18,851</u>	<u>465,167</u>
					230,174
					2,216,586
<u>(2,089)</u>					
<u>(2,089)</u>					<u>2,446,760</u>
<u>\$</u>	<u>\$ 50,199</u>	<u>\$ 12,553</u>	<u>\$ 1,979</u>	<u>\$ 18,851</u>	<u>\$ 2,911,927</u>

(Continued)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2012

	<u>Civic Center</u>	<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>
<u>ASSETS</u>			
Cash and investments	\$ 813,746	\$ 744,303	\$ 2,369,380
Accounts receivable			
Deposits			
Due from governmental entities			
Inventory			
Total assets	<u>\$ 813,746</u>	<u>\$ 744,303</u>	<u>\$ 2,369,380</u>
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 67,727	\$ 98,205	\$ 11,322
Due to other funds			
Accrued payroll and employee benefits		318,027	9,868
Deferred revenues			
Total liabilities	<u>67,727</u>	<u>416,232</u>	<u>21,190</u>
 Fund balances (deficits):			
Nonspendable			
Restricted	746,019	328,071	2,348,190
Unassigned			
Total fund balances	<u>746,019</u>	<u>328,071</u>	<u>2,348,190</u>
 Total liabilities and fund balances	<u>\$ 813,746</u>	<u>\$ 744,303</u>	<u>\$ 2,369,380</u>

<u>Fingerprint</u>	<u>Textbooks</u>	<u>Insurance Refund</u>	<u>Joint Technical Education</u>	<u>Totals</u>
\$ 6,689	\$ 387,278	\$ 11,847	\$ 896,431	\$ 7,344,152
				52,477
				200,000
				4,377,178
				230,174
<u>\$ 6,689</u>	<u>\$ 387,278</u>	<u>\$ 11,847</u>	<u>\$ 896,431</u>	<u>\$ 12,203,981</u>
\$	\$	\$	\$ 30,123	\$ 572,770
				2,974,353
			14,072	537,221
				412,687
			<u>44,195</u>	<u>4,497,031</u>
				230,174
6,689	387,278	11,847	852,236	7,741,840
<u>6,689</u>	<u>387,278</u>	<u>11,847</u>	<u>852,236</u>	<u>(265,064)</u>
<u>\$ 6,689</u>	<u>\$ 387,278</u>	<u>\$ 11,847</u>	<u>\$ 896,431</u>	<u>\$ 12,203,981</u>

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2012

	Classroom Site	Instructional Improvement	County, City, and Town Grants
Revenues:			
Other local	\$	\$ 2,820	\$ 85,000
State aid and grants	6,678,422	1,015,978	
Federal aid, grants and reimbursements			
Total revenues	6,678,422	1,018,798	85,000
Expenditures:			
Current -			
Instruction	5,595,299	710,367	71,281
Support services - students and staff	134,542	251,847	
Support services - administration		3,104	
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		3,939	
Total expenditures	5,729,841	969,257	71,281
Excess (deficiency) of revenues over expenditures	948,581	49,541	13,719
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	948,581	49,541	13,719
Fund balances (deficits), beginning of year	(1,211,556)	689,628	
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (262,975)	\$ 739,169	\$ 13,719

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English & Immigrant Students</u>	<u>Indian Education</u>	<u>Special Education Grants</u>
\$	\$	\$	\$	\$	\$
4,314,479	733,697	662,050	231,737	102,542	3,478,273
<u>4,314,479</u>	<u>733,697</u>	<u>662,050</u>	<u>231,737</u>	<u>102,542</u>	<u>3,478,273</u>
2,027,991		169,335	125,704	91,020	2,114,005
1,403,650	667,756	287,698	68,893	5,822	1,168,275
194,763	30,564	158,346	10,988	1,514	28,643
13,572			1,252	4,186	
27,700		9,225	24,900		
449,691		5,542			2,669
<u>4,117,367</u>	<u>698,320</u>	<u>630,146</u>	<u>231,737</u>	<u>102,542</u>	<u>3,313,592</u>
<u>197,112</u>	<u>35,377</u>	<u>31,904</u>			<u>164,681</u>
(197,112)	(35,377)	(31,904)			(164,681)
<u>(197,112)</u>	<u>(35,377)</u>	<u>(31,904)</u>			<u>(164,681)</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

(Continued)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2012

	Johnson O'Malley	Vocational Education	E-Rate
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	4,968	360,171	927,116
Total revenues	4,968	360,171	927,116
Expenditures:			
Current -			
Instruction	4,601	55,007	756,956
Support services - students and staff		82,915	28
Support services - administration		1,658	
Operation and maintenance of plant services			78,096
Student transportation services		6,436	
Operation of non-instructional services			
Capital outlay		206,743	
Total expenditures	4,601	352,759	835,080
Excess (deficiency) of revenues over expenditures	367	7,412	92,036
Other financing sources (uses):			
Transfers out	(367)	(7,412)	
Total other financing sources (uses):	(367)	(7,412)	
Changes in fund balances			92,036
Fund balances (deficits), beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$	\$	\$ 92,036

Other Federal Projects	State Vocational Education	Other State Projects	Food Service	Civic Center	Community School
\$	\$	\$	\$	\$	\$
	216,520	324,085	5,310,009	66,058	5,064,748
252,726			4,263,960		
<u>252,726</u>	<u>216,520</u>	<u>324,085</u>	<u>9,573,969</u>	<u>66,058</u>	<u>5,064,748</u>
82,052	98,959	233,505			19,615
31,788	49,388	84,127			39
21,318	3,246			20,010	25,608
	1,130			99,609	200
	2,350				
			8,271,199		5,380,134
11,631	61,447	6,453	408,791		92,846
<u>146,789</u>	<u>216,520</u>	<u>324,085</u>	<u>8,679,990</u>	<u>119,619</u>	<u>5,518,442</u>
<u>105,937</u>			<u>893,979</u>	<u>(53,561)</u>	<u>(453,694)</u>
(420)			(675,544)		
<u>(420)</u>			<u>(675,544)</u>		
<u>105,517</u>			<u>218,435</u>	<u>(53,561)</u>	<u>(453,694)</u>
(107,606)			2,166,747	799,580	781,765
			61,578		
<u>\$ (2,089)</u>	<u>\$</u>	<u>\$</u>	<u>\$ 2,446,760</u>	<u>\$ 746,019</u>	<u>\$ 328,071</u>

(Continued)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2012

	Extracurricular Activities Fees Tax Credit	Fingerprint	Textbooks
Revenues:			
Other local	\$ 2,573,330	\$ 7,414	\$ 41,529
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>2,573,330</u>	<u>7,414</u>	<u>41,529</u>
Expenditures:			
Current -			
Instruction	983,989		18,444
Support services - students and staff	734,684		4,382
Support services - administration		7,041	
Operation and maintenance of plant services	45,493		3,014
Student transportation services	350,947		
Operation of non-instructional services	86,098		
Capital outlay	93,648		
Total expenditures	<u>2,294,859</u>	<u>7,041</u>	<u>25,840</u>
Excess (deficiency) of revenues over expenditures	<u>278,471</u>	<u>373</u>	<u>15,689</u>
Other financing sources (uses):			
Transfers out	(1)		
Total other financing sources (uses):	<u>(1)</u>	<u></u>	<u></u>
Changes in fund balances	<u>278,470</u>	<u>373</u>	<u>15,689</u>
Fund balances (deficits), beginning of year	2,069,720	6,316	371,589
Increase (decrease) in reserve for inventory			
Fund balances, end of year	<u>\$ 2,348,190</u>	<u>\$ 6,689</u>	<u>\$ 387,278</u>

Insurance Refund	Joint Technical Education	Totals
\$ 65	\$ 1,551,786	\$ 14,702,759
		8,235,005
		15,331,719
<u>65</u>	<u>1,551,786</u>	<u>38,269,483</u>
	1,437,972	14,596,102
	229,316	5,205,150
	7,920	514,723
	100,838	347,390
	127,968	549,526
		13,737,431
		1,343,400
	<u>1,904,014</u>	<u>36,293,722</u>
<u>65</u>	<u>(352,228)</u>	<u>1,975,761</u>
		(1,112,818)
		<u>(1,112,818)</u>
<u>65</u>	<u>(352,228)</u>	<u>862,943</u>
11,782	1,204,464	6,782,429
		61,578
<u>\$ 11,847</u>	<u>\$ 852,236</u>	<u>\$ 7,706,950</u>

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2012

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants		6,678,422	6,678,422
Federal aid, grants and reimbursements			
Total revenues		<u>6,678,422</u>	<u>6,678,422</u>
Expenditures:			
Current -			
Instruction	5,715,786	5,595,299	120,487
Support services - students and staff	130,899	134,542	(3,643)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures	<u>5,846,685</u>	<u>5,729,841</u>	<u>116,844</u>
Excess (deficiency) of revenues over expenditures	<u>(5,846,685)</u>	<u>948,581</u>	<u>6,795,266</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(5,846,685)</u>	<u>948,581</u>	<u>6,795,266</u>
Fund balances (deficits), beginning of year		(1,211,556)	(1,211,556)
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (5,846,685)</u>	<u>\$ (262,975)</u>	<u>\$ 5,583,710</u>

Instructional Improvement			County, City, and Town Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 2,820	\$ 2,820	\$	\$ 85,000	\$ 85,000
	1,015,978	1,015,978			
	<u>1,018,798</u>	<u>1,018,798</u>		<u>85,000</u>	<u>85,000</u>
1,289,629	710,367	579,262		71,281	(71,281)
200,000	251,847	(51,847)			
	3,104	(3,104)			
	3,939	(3,939)			
<u>1,489,629</u>	<u>969,257</u>	<u>520,372</u>		<u>71,281</u>	<u>(71,281)</u>
<u>(1,489,629)</u>	<u>49,541</u>	<u>1,539,170</u>		<u>13,719</u>	<u>13,719</u>
<u>(1,489,629)</u>	<u>49,541</u>	<u>1,539,170</u>		<u>13,719</u>	<u>13,719</u>
	689,628	689,628			
<u>\$ (1,489,629)</u>	<u>\$ 739,169</u>	<u>\$ 2,228,798</u>	<u>\$</u>	<u>\$ 13,719</u>	<u>\$ 13,719</u>

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2012

	Title I Grants		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	6,554,398	4,314,479	(2,239,919)
Total revenues	<u>6,554,398</u>	<u>4,314,479</u>	<u>(2,239,919)</u>
Expenditures:			
Current -			
Instruction	5,354,398	2,027,991	3,326,407
Support services - students and staff	1,000,000	1,403,650	(403,650)
Support services - administration		194,763	(194,763)
Operation and maintenance of plant services		13,572	(13,572)
Student transportation services		27,700	(27,700)
Operation of non-instructional services			
Capital outlay	200,000	449,691	(249,691)
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures	<u>6,554,398</u>	<u>4,117,367</u>	<u>2,437,031</u>
Excess (deficiency) of revenues over expenditures		<u>197,112</u>	<u>197,112</u>
Other financing sources (uses):			
Transfers in			
Transfers out		(197,112)	(197,112)
Total other financing sources (uses):		<u>(197,112)</u>	<u>(197,112)</u>
Changes in fund balances			
Fund balances (deficits), beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances, end of year	<u>\$</u>	<u>\$</u>	<u>\$</u>

Professional Development and Technology Grants			Title IV Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
933,230	733,697	(199,533)	851,579	662,050	(189,529)
<u>933,230</u>	<u>733,697</u>	<u>(199,533)</u>	<u>851,579</u>	<u>662,050</u>	<u>(189,529)</u>
933,230	667,756	265,474	351,579	169,335	182,244
	30,564	(30,564)	400,000	287,698	112,302
			100,000	158,346	(58,346)
				9,225	(9,225)
				5,542	(5,542)
<u>933,230</u>	<u>698,320</u>	<u>234,910</u>	<u>851,579</u>	<u>630,146</u>	<u>221,433</u>
	<u>35,377</u>	<u>35,377</u>		<u>31,904</u>	<u>31,904</u>
	<u>(35,377)</u>	<u>(35,377)</u>		<u>(31,904)</u>	<u>(31,904)</u>
	<u>(35,377)</u>	<u>(35,377)</u>		<u>(31,904)</u>	<u>(31,904)</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2012

	Limited English & Immigrant Students		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	<u>679,022</u>	<u>231,737</u>	<u>(447,285)</u>
Total revenues	<u><u>679,022</u></u>	<u><u>231,737</u></u>	<u><u>(447,285)</u></u>
Expenditures:			
Current -			
Instruction	679,022	125,704	553,318
Support services - students and staff		68,893	(68,893)
Support services - administration		10,988	(10,988)
Operation and maintenance of plant services		1,252	(1,252)
Student transportation services		24,900	(24,900)
Operation of non-instructional services			
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures	<u><u>679,022</u></u>	<u><u>231,737</u></u>	<u><u>447,285</u></u>
Excess (deficiency) of revenues over expenditures	<u> </u>	<u> </u>	<u> </u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):	<u> </u>	<u> </u>	<u> </u>
Changes in fund balances	<u> </u>	<u> </u>	<u> </u>
Fund balances (deficits), beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances, end of year	<u><u>\$</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>

Indian Education			Special Education Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
109,125	102,542	(6,583)	3,869,916	3,478,273	(391,643)
<u>109,125</u>	<u>102,542</u>	<u>(6,583)</u>	<u>3,869,916</u>	<u>3,478,273</u>	<u>(391,643)</u>
109,125	91,020	18,105	2,869,916	2,114,005	755,911
	5,822	(5,822)	1,000,000	1,168,275	(168,275)
	1,514	(1,514)		28,643	(28,643)
	4,186	(4,186)			
				2,669	(2,669)
<u>109,125</u>	<u>102,542</u>	<u>6,583</u>	<u>3,869,916</u>	<u>3,313,592</u>	<u>556,324</u>
				164,681	164,681
				(164,681)	(164,681)
				<u>(164,681)</u>	<u>(164,681)</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

(Continued)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2012

	Johnson O'Malley		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	12,765	4,968	(7,797)
Total revenues	<u>12,765</u>	<u>4,968</u>	<u>(7,797)</u>
Expenditures:			
Current -			
Instruction	12,765	4,601	8,164
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures	<u>12,765</u>	<u>4,601</u>	<u>8,164</u>
Excess (deficiency) of revenues over expenditures		<u>367</u>	<u>367</u>
Other financing sources (uses):			
Transfers in			
Transfers out		(367)	(367)
Total other financing sources (uses):		<u>(367)</u>	<u>(367)</u>
Changes in fund balances			
Fund balances (deficits), beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances, end of year	<u>\$</u>	<u>\$</u>	<u>\$</u>

Vocational Education			Medicaid Reimbursement		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 198	\$ 198
417,288	360,171	(57,117)	1,364,328	618,328	(746,000)
<u>417,288</u>	<u>360,171</u>	<u>(57,117)</u>	<u>1,364,328</u>	<u>618,526</u>	<u>(745,802)</u>
117,288	55,007	62,281		40,888	(40,888)
100,000	82,915	17,085	800,000	355,018	444,982
	1,658	(1,658)	64,328	50,800	13,528
	6,436	(6,436)	500,000	525	(525)
200,000	206,743	(6,743)		317,826	182,174
				1,665	(1,665)
<u>417,288</u>	<u>352,759</u>	<u>64,529</u>	<u>1,364,328</u>	<u>766,722</u>	<u>597,606</u>
	7,412	7,412		(148,196)	(148,196)
	(7,412)	(7,412)			
	<u>(7,412)</u>	<u>(7,412)</u>			
				(148,196)	(148,196)
				569,454	569,454
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 421,258</u>	<u>\$ 421,258</u>

(Continued)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2012

	E-Rate		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		927,116	927,116
Total revenues		<u>927,116</u>	<u>927,116</u>
Expenditures:			
Current -			
Instruction		756,956	(756,956)
Support services - students and staff		28	(28)
Support services - administration			
Operation and maintenance of plant services		78,096	(78,096)
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures		<u>835,080</u>	<u>(835,080)</u>
Excess (deficiency) of revenues over expenditures		<u>92,036</u>	<u>92,036</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances		<u>92,036</u>	<u>92,036</u>
Fund balances (deficits), beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$</u>	<u>\$ 92,036</u>	<u>\$ 92,036</u>

Other Federal Projects			State Vocational Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
171,041	252,726	81,685	245,759	216,520	(29,239)
<u>171,041</u>	<u>252,726</u>	<u>81,685</u>	<u>245,759</u>	<u>216,520</u>	<u>(29,239)</u>
111,041	82,052	28,989	155,759	98,959	56,800
30,000	31,788	(1,788)	30,000	49,388	(19,388)
20,000	21,318	(1,318)		3,246	(3,246)
				1,130	(1,130)
				2,350	(2,350)
10,000	11,631	(1,631)	60,000	61,447	(1,447)
<u>171,041</u>	<u>146,789</u>	<u>24,252</u>	<u>245,759</u>	<u>216,520</u>	<u>29,239</u>
	<u>105,937</u>	<u>105,937</u>			
	(420)	(420)			
	<u>(420)</u>	<u>(420)</u>			
	105,517	105,517			
	(107,606)	(107,606)			
<u>\$</u>	<u>\$ (2,089)</u>	<u>\$ (2,089)</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2012

	Other State Projects		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants	341,300	324,085	(17,215)
Federal aid, grants and reimbursements			
Total revenues	<u>341,300</u>	<u>324,085</u>	<u>(17,215)</u>
Expenditures:			
Current -			
Instruction	251,300	233,505	17,795
Support services - students and staff	90,000	84,127	5,873
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		6,453	(6,453)
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures	<u>341,300</u>	<u>324,085</u>	<u>17,215</u>
Excess (deficiency) of revenues over expenditures			
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances			
Fund balances (deficits), beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$</u>	<u>\$</u>	<u>\$</u>

School Plant			Food Service		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 915,011	\$ 915,011	\$	\$ 5,310,009	\$ 5,310,009
				4,263,960	4,263,960
	<u>915,011</u>	<u>915,011</u>		<u>9,573,969</u>	<u>9,573,969</u>
	37,722	(37,722)			
	8,592	(8,592)			
	42,708	(42,708)			
2,000,000	650,564	1,349,436			
			12,094,549	8,271,199	3,823,350
395,542	339,677	55,865		408,791	(408,791)
	300,143	(300,143)			
	23,300	(23,300)			
<u>2,395,542</u>	<u>1,402,706</u>	<u>992,836</u>	<u>12,094,549</u>	<u>8,679,990</u>	<u>3,414,559</u>
<u>(2,395,542)</u>	<u>(487,695)</u>	<u>1,907,847</u>	<u>(12,094,549)</u>	<u>893,979</u>	<u>12,988,528</u>
				(675,544)	(675,544)
				<u>(675,544)</u>	<u>(675,544)</u>
<u>(2,395,542)</u>	<u>(487,695)</u>	<u>1,907,847</u>	<u>(12,094,549)</u>	<u>218,435</u>	<u>12,312,984</u>
	2,532,879	2,532,879		2,166,747	2,166,747
				61,578	61,578
<u>\$ (2,395,542)</u>	<u>\$ 2,045,184</u>	<u>\$ 4,440,726</u>	<u>\$ (12,094,549)</u>	<u>\$ 2,446,760</u>	<u>\$ 14,541,309</u>

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2012

	Civic Center		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 66,058	\$ 66,058
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>66,058</u>	<u>66,058</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration	50,000	20,010	29,990
Operation and maintenance of plant services	550,000	99,609	450,391
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures	<u>600,000</u>	<u>119,619</u>	<u>480,381</u>
Excess (deficiency) of revenues over expenditures	<u>(600,000)</u>	<u>(53,561)</u>	<u>546,439</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(600,000)</u>	<u>(53,561)</u>	<u>546,439</u>
Fund balances (deficits), beginning of year		799,580	799,580
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (600,000)</u>	<u>\$ 746,019</u>	<u>\$ 1,346,019</u>

Community School			Auxiliary Operations		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 5,064,748	\$ 5,064,748	\$	\$ 1,745,946	\$ 1,745,946
	<u>5,064,748</u>	<u>5,064,748</u>		<u>1,745,946</u>	<u>1,745,946</u>
	19,615	(19,615)	900,000	944,278	(44,278)
	39	(39)	22,000	219,814	(197,814)
	25,608	(25,608)		129,064	(129,064)
	200	(200)	100,000	239,059	(139,059)
				78,426	(78,426)
3,910,000	5,380,134	(1,470,134)		30,381	(30,381)
90,000	92,846	(2,846)		76,224	(76,224)
<u>4,000,000</u>	<u>5,518,442</u>	<u>(1,518,442)</u>	<u>1,022,000</u>	<u>1,717,246</u>	<u>(695,246)</u>
<u>(4,000,000)</u>	<u>(453,694)</u>	<u>3,546,306</u>	<u>(1,022,000)</u>	<u>28,700</u>	<u>1,050,700</u>
				(1)	(1)
				(1)	(1)
<u>(4,000,000)</u>	<u>(453,694)</u>	<u>3,546,306</u>	<u>(1,022,000)</u>	<u>28,699</u>	<u>1,050,699</u>
	781,765	781,765		2,157,756	2,157,756
<u>\$ (4,000,000)</u>	<u>\$ 328,071</u>	<u>\$ 4,328,071</u>	<u>\$ (1,022,000)</u>	<u>\$ 2,186,455</u>	<u>\$ 3,208,455</u>

(Continued)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2012

	Extracurricular Activities Fees Tax Credit		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 2,573,330	\$ 2,573,330
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		2,573,330	2,573,330
Expenditures:			
Current -			
Instruction	1,011,000	983,989	27,011
Support services - students and staff	800,000	734,684	65,316
Support services - administration			
Operation and maintenance of plant services		45,493	(45,493)
Student transportation services	200,000	350,947	(150,947)
Operation of non-instructional services		86,098	(86,098)
Capital outlay		93,648	(93,648)
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures	2,011,000	2,294,859	(283,859)
Excess (deficiency) of revenues over expenditures	(2,011,000)	278,471	2,289,471
Other financing sources (uses):			
Transfers in			
Transfers out		(1)	(1)
Total other financing sources (uses):		(1)	(1)
Changes in fund balances	(2,011,000)	278,470	2,289,470
Fund balances (deficits), beginning of year		2,069,720	2,069,720
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (2,011,000)	\$ 2,348,190	\$ 4,359,190

Gifts and Donations			Fingerprint		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,100,973	\$ 1,100,973	\$	\$ 7,414	\$ 7,414
	<u>1,100,973</u>	<u>1,100,973</u>		<u>7,414</u>	<u>7,414</u>
1,000,000	585,936	414,064			
250,000	190,165	59,835			
	76,819	(76,819)	5,000	7,041	(2,041)
	39,276	(39,276)			
	15,875	(15,875)			
	553	(553)			
250,000	177,630	72,370			
<u>1,500,000</u>	<u>1,086,254</u>	<u>413,746</u>	<u>5,000</u>	<u>7,041</u>	<u>(2,041)</u>
<u>(1,500,000)</u>	<u>14,719</u>	<u>1,514,719</u>	<u>(5,000)</u>	<u>373</u>	<u>5,373</u>
	<u>2</u>	<u>2</u>			
	<u>2</u>	<u>2</u>			
<u>(1,500,000)</u>	<u>14,721</u>	<u>1,514,721</u>	<u>(5,000)</u>	<u>373</u>	<u>5,373</u>
	1,430,214	1,430,214		6,316	6,316
<u>\$ (1,500,000)</u>	<u>\$ 1,444,935</u>	<u>\$ 2,944,935</u>	<u>\$ (5,000)</u>	<u>\$ 6,689</u>	<u>\$ 11,689</u>

(Continued)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2012

	Insurance Proceeds		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
Revenues:			
Other local	\$	\$ 92,696	\$ 92,696
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>92,696</u>	<u>92,696</u>
Expenditures:			
Current -			
Instruction	50,000		50,000
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures	<u>50,000</u>		<u>50,000</u>
Excess (deficiency) of revenues over expenditures	<u>(50,000)</u>	<u>92,696</u>	<u>142,696</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(50,000)</u>	<u>92,696</u>	<u>142,696</u>
Fund balances (deficits), beginning of year		95,651	95,651
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (50,000)</u>	<u>\$ 188,347</u>	<u>\$ 238,347</u>

Textbooks			Litigation Recovery		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 41,529	\$ 41,529	\$	\$ 46,760	\$ 46,760
	<u>41,529</u>	<u>41,529</u>		<u>46,760</u>	<u>46,760</u>
380,000	18,444	361,556			
	4,382	(4,382)	25,000	11,524	13,476
	3,014	(3,014)			
<u>380,000</u>	<u>25,840</u>	<u>354,160</u>	<u>25,000</u>	<u>11,524</u>	<u>13,476</u>
<u>(380,000)</u>	<u>15,689</u>	<u>395,689</u>	<u>(25,000)</u>	<u>35,236</u>	<u>60,236</u>
<u>(380,000)</u>	<u>15,689</u>	<u>395,689</u>	<u>(25,000)</u>	<u>35,236</u>	<u>60,236</u>
	371,589	371,589		46,012	46,012
<u>\$ (380,000)</u>	<u>\$ 387,278</u>	<u>\$ 767,278</u>	<u>\$ (25,000)</u>	<u>\$ 81,248</u>	<u>\$ 106,248</u>

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2012

	Indirect Costs		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
Revenues:			
Other local	\$	\$ 10,079	\$ 10,079
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>10,079</u>	<u>10,079</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration	2,118,010	495,787	1,622,223
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures	<u>2,118,010</u>	<u>495,787</u>	<u>1,622,223</u>
Excess (deficiency) of revenues over expenditures	<u>(2,118,010)</u>	<u>(485,708)</u>	<u>1,632,302</u>
Other financing sources (uses):			
Transfers in		1,112,817	1,112,817
Transfers out			
Total other financing sources (uses):		<u>1,112,817</u>	<u>1,112,817</u>
Changes in fund balances	<u>(2,118,010)</u>	<u>627,109</u>	<u>2,745,119</u>
Fund balances (deficits), beginning of year		1,863,871	1,863,871
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (2,118,010)</u>	<u>\$ 2,490,980</u>	<u>\$ 4,608,990</u>

Insurance Refund			Advertisement		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 65	\$ 65	\$	\$ 4,576	\$ 4,576
	<u>65</u>	<u>65</u>		<u>4,576</u>	<u>4,576</u>
11,000		11,000			
			135,000	41,443	93,557
			5,000	5,952	(952)
<u>11,000</u>	<u></u>	<u>11,000</u>	<u>140,000</u>	<u>47,395</u>	<u>92,605</u>
<u>(11,000)</u>	<u>65</u>	<u>11,065</u>	<u>(140,000)</u>	<u>(42,819)</u>	<u>97,181</u>
<u>(11,000)</u>	<u>65</u>	<u>11,065</u>	<u>(140,000)</u>	<u>(42,819)</u>	<u>97,181</u>
	11,782	11,782		144,654	144,654
<u>\$ (11,000)</u>	<u>\$ 11,847</u>	<u>\$ 22,847</u>	<u>\$ (140,000)</u>	<u>\$ 101,835</u>	<u>\$ 241,835</u>

(Continued)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2012

	Joint Technical Education		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 1,551,786	\$ 1,551,786
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>1,551,786</u>	<u>1,551,786</u>
Expenditures:			
Current -			
Instruction	1,995,413	1,437,972	557,441
Support services - students and staff	100,000	229,316	(129,316)
Support services - administration		7,920	(7,920)
Operation and maintenance of plant services	100,000	100,838	(838)
Student transportation services	100,000	127,968	(27,968)
Operation of non-instructional services			
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures	<u>2,295,413</u>	<u>1,904,014</u>	<u>391,399</u>
Excess (deficiency) of revenues over expenditures	<u>(2,295,413)</u>	<u>(352,228)</u>	<u>1,943,185</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(2,295,413)</u>	<u>(352,228)</u>	<u>1,943,185</u>
Fund balances (deficits), beginning of year		1,204,464	1,204,464
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (2,295,413)</u>	<u>\$ 852,236</u>	<u>\$ 3,147,649</u>

Totals		
Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$
587,059	18,618,998	18,618,998
14,962,692	8,235,005	7,647,946
<u>15,549,751</u>	<u>15,950,047</u>	<u>987,355</u>
	<u>42,804,050</u>	<u>27,254,299</u>
22,365,021	16,204,926	6,160,095
5,886,129	5,978,739	(92,610)
2,517,338	1,362,868	1,154,470
2,750,000	1,276,814	1,473,186
800,000	961,653	(161,653)
16,004,549	13,768,365	2,236,184
1,210,542	1,944,548	(734,006)
	300,143	(300,143)
	23,300	(23,300)
<u>51,533,579</u>	<u>41,821,356</u>	<u>9,712,223</u>
<u>(35,983,828)</u>	<u>982,694</u>	<u>36,966,522</u>
	1,112,817	1,112,817
	<u>(1,112,817)</u>	<u>(1,112,817)</u>
<u>(35,983,828)</u>	<u>982,694</u>	<u>36,966,522</u>
	15,622,920	15,622,920
	61,578	61,578
<u>\$ (35,983,828)</u>	<u>\$ 16,667,192</u>	<u>\$ 52,651,020</u>

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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.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE
YEAR ENDED JUNE 30, 2012

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	<u>Original & Final</u>	<u>Actual</u>	
Revenues:			
Other local	\$	\$ 35,259	\$ 35,259
Property taxes		36,126,694	36,126,694
Federal aid, grants and reimbursements		1,914,206	1,914,206
Total revenues		<u>38,076,159</u>	<u>38,076,159</u>
Expenditures:			
Debt service -			
Principal retirement	24,505,000	24,505,000	
Interest and fiscal charges	35,598,321	13,742,025	21,856,296
Total expenditures	<u>60,103,321</u>	<u>38,247,025</u>	<u>21,856,296</u>
Excess (deficiency) of revenues over expenditures	<u>(60,103,321)</u>	<u>(170,866)</u>	<u>59,932,455</u>
Other financing sources (uses):			
Transfers in		2,793,635	2,793,635
Total other financing sources (uses):		<u>2,793,635</u>	<u>2,793,635</u>
Changes in fund balances	<u>(60,103,321)</u>	<u>2,622,769</u>	<u>62,726,090</u>
Fund balances, beginning of year		8,442,094	8,442,094
Fund balances (deficits), end of year	<u>\$ (60,103,321)</u>	<u>\$ 11,064,863</u>	<u>\$ 71,168,184</u>

CAPITAL PROJECTS FUNDS

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

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

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

Bond Building - 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.

Energy and Water Savings Fund - The Energy and Water Savings Fund accounts for a designated pool of capital investment monies to fund energy or water savings projects in school facilities.

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.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2012

	Unrestricted Capital Outlay	Adjacent Ways	Building Renewal
<u>ASSETS</u>			
Cash and investments	\$ 7,081,294	\$ 2,590,641	\$ 33,575
Property taxes receivable	238,801	300,106	
Total assets	\$ 7,320,095	\$ 2,890,747	\$ 33,575
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 385,371	\$ 1,959,373	\$
Deferred revenues	137,135	283,978	
Total liabilities	522,506	2,243,351	
Fund balances:			
Restricted	6,797,589	647,396	33,575
Total fund balances	6,797,589	647,396	33,575
Total liabilities and fund balances	\$ 7,320,095	\$ 2,890,747	\$ 33,575

Totals

\$ 9,705,510
538,907
\$ 10,244,417

\$ 2,344,744
421,113
2,765,857

7,478,560
7,478,560

\$ 10,244,417

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2012

	Unrestricted Capital Outlay	Adjacent Ways	Building Renewal
Revenues:			
Other local	\$ 35,556	\$ 61,250	\$ 225
Property taxes	9,921,854	1,849,547	
State aid and grants	276,988		
Total revenues	<u>10,234,398</u>	<u>1,910,797</u>	<u>225</u>
Expenditures:			
Capital outlay	8,889,268	6,696,481	5,385
Debt service -			
Principal retirement	1,457,461		
Interest and fiscal charges	145,322		
Total expenditures	<u>10,492,051</u>	<u>6,696,481</u>	<u>5,385</u>
Changes in fund balances	<u>(257,653)</u>	<u>(4,785,684)</u>	<u>(5,160)</u>
Fund balances, beginning of year	7,055,242	5,433,080	38,735
Fund balances, end of year	<u>\$ 6,797,589</u>	<u>\$ 647,396</u>	<u>\$ 33,575</u>

Totals

\$ 97,031
11,771,401
276,988
12,145,420

15,591,134

1,457,461
145,322
17,193,917

(5,048,497)

12,527,057

\$ 7,478,560

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET
AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2012

	Unrestricted Capital Outlay		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 35,556	\$ 35,556
Property taxes		9,921,854	9,921,854
State aid and grants		276,988	276,988
Federal aid, grants and reimbursements			
Total revenues		10,234,398	10,234,398
Expenditures:			
Capital outlay	13,578,601	8,889,268	4,689,333
Debt service -			
Principal retirement	1,457,461	1,457,461	
Interest and fiscal charges	145,322	145,322	
Bond issuance costs			
Total expenditures	15,181,384	10,492,051	4,689,333
Excess (deficiency) of revenues over expenditures	(15,181,384)	(257,653)	14,923,731
Other financing sources (uses):			
Transfers in			
Transfers out			
Issuance of school improvement bonds			
Premium on sale of bonds			
Total other financing sources (uses):			
Changes in fund balances	(15,181,384)	(257,653)	14,923,731
Fund balances, beginning of year		7,055,242	7,055,242
Fund balances (deficits), end of year	\$ (15,181,384)	\$ 6,797,589	\$ 21,978,973

Adjacent Ways			Soft Capital Allocation		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 61,250	\$ 61,250	\$	\$ 8,830	\$ 8,830
	1,849,547	1,849,547		5,623	5,623
				26,104	26,104
	<u>1,910,797</u>	<u>1,910,797</u>		<u>40,557</u>	<u>40,557</u>
7,000,000	6,696,481	303,519	1,312,260	2,000	1,310,260
<u>7,000,000</u>	<u>6,696,481</u>	<u>303,519</u>	<u>1,312,260</u>	<u>2,000</u>	<u>1,310,260</u>
<u>(7,000,000)</u>	<u>(4,785,684)</u>	<u>2,214,316</u>	<u>(1,312,260)</u>	<u>38,557</u>	<u>1,350,817</u>
<u>(7,000,000)</u>	<u>(4,785,684)</u>	<u>2,214,316</u>	<u>(1,312,260)</u>	<u>38,557</u>	<u>1,350,817</u>
	5,433,080	5,433,080		1,617,575	1,617,575
<u>\$ (7,000,000)</u>	<u>\$ 647,396</u>	<u>\$ 7,647,396</u>	<u>\$ (1,312,260)</u>	<u>\$ 1,656,132</u>	<u>\$ 2,968,392</u>

(Continued)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET
AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2012

	Bond Building		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 34,071	\$ 34,071
Property taxes			
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		34,071	34,071
Expenditures:			
Capital outlay	105,697,606	69,410,580	36,287,026
Debt service -			
Principal retirement			
Interest and fiscal charges			
Bond issuance costs		369,500	(369,500)
Total expenditures	105,697,606	69,780,080	35,917,526
Excess (deficiency) of revenues over expenditures	(105,697,606)	(69,746,009)	35,951,597
Other financing sources (uses):			
Transfers in			
Transfers out		(2,793,635)	(2,793,635)
Issuance of school improvement bonds		59,000,000	59,000,000
Premium on sale of bonds		2,991,292	2,991,292
Total other financing sources (uses):		59,197,657	59,197,657
Changes in fund balances	(105,697,606)	(10,548,352)	95,149,254
Fund balances, beginning of year		46,115,377	46,115,377
Fund balances (deficits), end of year	\$ (105,697,606)	\$ 35,567,025	\$ 141,264,631

Energy and Water Savings			Building Renewal		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 332,232	\$ 332,232	\$	\$ 225	\$ 225
	417,356	417,356			
	749,588	749,588		225	225
73,959	5,232,011	(5,158,052)		5,385	(5,385)
601,907	601,907				
576,073	576,073				
1,251,939	6,409,991	(5,158,052)		5,385	(5,385)
(1,251,939)	(5,660,403)	(4,408,464)		(5,160)	(5,160)
	691,021	691,021			
	691,021	691,021			
(1,251,939)	(4,969,382)	(3,717,443)		(5,160)	(5,160)
	3,738,016	3,738,016		38,735	38,735
\$ (1,251,939)	\$ (1,231,366)	\$ 20,573	\$	\$ 33,575	\$ 33,575

(Continued)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET
AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2012

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 472,164	\$ 472,164
Property taxes		11,777,024	11,777,024
State aid and grants		303,092	303,092
Federal aid, grants and reimbursements		417,356	417,356
Total revenues		<u>12,969,636</u>	<u>12,969,636</u>
Expenditures:			
Capital outlay	127,662,426	90,235,725	37,426,701
Debt service -			
Principal retirement	2,059,368	2,059,368	
Interest and fiscal charges	721,395	721,395	
Bond issuance costs		369,500	(369,500)
Total expenditures	<u>130,443,189</u>	<u>93,385,988</u>	<u>37,057,201</u>
Excess (deficiency) of revenues over expenditures	<u>(130,443,189)</u>	<u>(80,416,352)</u>	<u>50,026,837</u>
Other financing sources (uses):			
Transfers in		691,021	691,021
Transfers out		(2,793,635)	(2,793,635)
Issuance of school improvement bonds		59,000,000	59,000,000
Premium on sale of bonds		2,991,292	2,991,292
Total other financing sources (uses):		<u>59,888,678</u>	<u>59,888,678</u>
Changes in fund balances	<u>(130,443,189)</u>	<u>(20,527,674)</u>	<u>109,915,515</u>
Fund balances, beginning of year		63,998,025	63,998,025
Fund balances (deficits), end of year	<u>\$ (130,443,189)</u>	<u>\$ 43,470,351</u>	<u>\$ 173,913,540</u>

INTERNAL SERVICE FUNDS

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

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

Insurance Trust - to account for the financial activity associated with the District's self-insurance program for employee workers' compensation and for property and casualty losses.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING STATEMENT OF NET ASSETS -
ALL INTERNAL SERVICE FUNDS
JUNE 30, 2012

	<u>Print Shop</u>	<u>Intergovernmental Agreements</u>	<u>Insurance Trust</u>
<u>ASSETS</u>			
Current assets:			
Cash and investments	\$ 73,856	\$ 489,892	\$ 14,079,021
Accounts receivable			189,622
Total current assets	<u>73,856</u>	<u>489,892</u>	<u>14,268,643</u>
Total assets	<u>73,856</u>	<u>489,892</u>	<u>14,268,643</u>
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable			2,173,274
Claims payable			50,307
Total current liabilities			<u>2,223,581</u>
Total liabilities			<u>2,223,581</u>
<u>NET ASSETS</u>			
Unrestricted	<u>73,856</u>	<u>489,892</u>	<u>12,045,062</u>
Total net assets	<u>\$ 73,856</u>	<u>\$ 489,892</u>	<u>\$ 12,045,062</u>

Totals

\$ 14,642,769
189,622
14,832,391
14,832,391

2,173,274
50,307
2,223,581
2,223,581

12,608,810
\$ 12,608,810
12,608,810

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS -
ALL INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Print Shop</u>	<u>Intergovernmental Agreements</u>	<u>Insurance Trust</u>
Operating revenues:			
Other	\$ 97,293	\$ 574,597	\$
Contributions			1,196,371
Total operating revenues	<u>97,293</u>	<u>574,597</u>	<u>1,196,371</u>
Operating expenses:			
Other	79,271	497,823	95,903
Claims			339,278
Premiums			4,069,988
Administrative fees			51,151
Total operating expenses	<u>79,271</u>	<u>497,823</u>	<u>4,556,320</u>
Operating income (loss)	<u>18,022</u>	<u>76,774</u>	<u>(3,359,949)</u>
Nonoperating revenues (expenses):			
Investment income	410	2,115	318,227
Total nonoperating revenues (expenses)	<u>410</u>	<u>2,115</u>	<u>318,227</u>
Changes in net assets	<u>18,432</u>	<u>78,889</u>	<u>(3,041,722)</u>
Total net assets, beginning of year	55,424	411,003	15,086,784
Total net assets, end of year	<u>\$ 73,856</u>	<u>\$ 489,892</u>	<u>\$ 12,045,062</u>

Totals

\$ 671,890
1,196,371
1,868,261

672,997
339,278
4,069,988
51,151
5,133,414

(3,265,153)

320,752
320,752

(2,944,401)

15,553,211

\$ 12,608,810

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING STATEMENT OF CASH FLOWS - ALL INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2012

	<u>Print Shop</u>	<u>Intergovernmental Agreements</u>	<u>Insurance Trust</u>	<u>Totals</u>
<u>Increase (Decrease) in Cash and Cash Equivalents</u>				
Cash flows from operating activities:				
Cash received from contributions	\$	\$	\$ 1,124,392	\$ 1,124,392
Cash received from charges for services	97,293	574,597		671,890
Cash payments to suppliers for goods and services	(79,887)	(501,364)	(2,092,526)	(2,673,777)
Cash payments for claims			(369,471)	(369,471)
Net cash provided by (used for) operating activities	<u>17,406</u>	<u>73,233</u>	<u>(1,337,605)</u>	<u>(1,246,966)</u>
Cash flows from investing activities:				
Proceeds from sale of investments			1,493,113	1,493,113
Purchase of investments			(2,488,776)	(2,488,776)
Investment income	410	2,115	318,227	320,752
Net cash provided by investing activities	<u>410</u>	<u>2,115</u>	<u>(677,436)</u>	<u>(674,911)</u>
Net increase (decrease) in cash and cash equivalents	<u>17,816</u>	<u>75,348</u>	<u>(2,015,041)</u>	<u>(1,921,877)</u>
Cash and cash equivalents, beginning of year	<u>56,040</u>	<u>414,544</u>	<u>4,595,500</u>	<u>5,066,084</u>
Cash and cash equivalents, end of year	<u>\$ 73,856</u>	<u>\$ 489,892</u>	<u>\$ 2,580,459</u>	<u>\$ 3,144,207</u>
<u>Reconciliation of Cash and Cash Equivalents to the Statement of Net Assets</u>				
Cash and investments	\$ 73,856	\$ 489,892	\$ 14,079,021	\$ 14,642,769
Less investments not maturing in less than three months			11,498,562	11,498,562
Total cash and cash equivalents	<u>\$ 73,856</u>	<u>\$ 489,892</u>	<u>\$ 2,580,459</u>	<u>\$ 3,144,207</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u>				
Operating income (loss)	\$ 18,022	\$ 76,774	\$ (3,359,949)	\$ (3,265,153)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Changes in assets and liabilities:				
Increase in accounts receivable			(71,979)	(71,979)
Increase (decrease) in accounts payable	(616)	(3,541)	2,124,516	2,120,359
Decrease in claims payable			(30,193)	(30,193)
Total adjustments	<u>(616)</u>	<u>(3,541)</u>	<u>2,022,344</u>	<u>2,018,187</u>
Net cash provided by (used for) operating activities	<u>\$ 17,406</u>	<u>\$ 73,233</u>	<u>\$ (1,337,605)</u>	<u>\$ (1,246,966)</u>

AGENCY FUNDS

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

Employee Withholding - to account for voluntary deductions and employee payroll checks temporarily held by the District as an agent.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2012

	Student Activities	Employee Insurance	Totals
<u>ASSETS</u>			
Cash and investments	\$ 1,375,859	\$ 14,821,275	\$ 16,197,134
Total assets	\$ 1,375,859	\$ 14,821,275	\$ 16,197,134
<u>LIABILITIES</u>			
Accounts payable	\$ 51,202	\$	\$ 51,202
Deposits held for others		14,821,275	14,821,275
Due to student groups	1,324,657		1,324,657
Total liabilities	\$ 1,375,859	\$ 14,821,275	\$ 16,197,134

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES - ALL AGENCY FUNDS
YEAR ENDED JUNE 30, 2012

	Beginning Balance	Additions	Deductions	Ending Balance
<u>STUDENT ACTIVITIES FUND</u>				
<u>Assets</u>				
Cash and investments	\$ 1,318,576	\$ 1,930,647	\$ 1,873,364	\$ 1,375,859
Total assets	\$ 1,318,576	\$ 1,930,647	\$ 1,873,364	\$ 1,375,859
<u>Liabilities</u>				
Accounts payable	\$ 18,187	\$ 33,015	\$	\$ 51,202
Due to student groups	1,300,389	1,897,632	1,873,364	1,324,657
Total liabilities	\$ 1,318,576	\$ 1,930,647	\$ 1,873,364	\$ 1,375,859
<u>EMPLOYEE WITHHOLDING FUND</u>				
<u>Assets</u>				
Cash and investments	\$ 794,686	\$ 147,313,015	\$ 133,286,426	\$ 14,821,275
Total assets	\$ 794,686	\$ 147,313,015	\$ 133,286,426	\$ 14,821,275
<u>Liabilities</u>				
Deposits held for others	\$ 794,686	\$ 147,313,015	\$ 133,286,426	\$ 14,821,275
Total liabilities	\$ 794,686	\$ 147,313,015	\$ 133,286,426	\$ 14,821,275
<u>TOTAL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash and investments	\$ 2,113,262	\$ 149,243,662	\$ 135,159,790	\$ 16,197,134
Total assets	\$ 2,113,262	\$ 149,243,662	\$ 135,159,790	\$ 16,197,134
<u>Liabilities</u>				
Accounts payable	\$ 18,187	\$ 33,015	\$	\$ 51,202
Deposits held for others	794,686	147,313,015	133,286,426	14,821,275
Due to student groups	1,300,389	1,897,632	1,873,364	1,324,657
Total liabilities	\$ 2,113,262	\$ 149,243,662	\$ 135,159,790	\$ 16,197,134

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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.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NET ASSETS BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Net Assets:					
Invested in capital assets, net of related debt	\$ 171,205,695	\$ 132,040,763	\$ 119,641,050	\$ 91,163,244	\$ 48,192,458
Restricted	38,009,432	34,824,511	21,350,236	18,163,103	27,247,992
Unrestricted	49,733,138	98,132,924	85,910,876	78,132,576	89,764,742
Total net assets	\$ 258,948,265	\$ 264,998,198	\$ 226,902,162	\$ 187,458,923	\$ 165,205,192
	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Net Assets:					
Invested in capital assets, net of related debt	\$ 28,216,895	\$ (3,844,072)	\$ (18,933,672)	\$ (20,385,972)	\$ (38,250,796)
Restricted	18,271,392	31,303,375	32,039,859	41,699,597	40,337,991
Unrestricted	69,051,591	76,978,447	77,813,485	51,099,438	37,815,680
Total net assets	\$ 115,539,878	\$ 104,437,750	\$ 90,919,672	\$ 72,413,063	\$ 39,902,875

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	2012	2011	2010	2009	2008
Expenses					
Instruction	\$ 145,322,440	\$ 133,239,099	\$ 147,449,327	\$ 150,232,317	\$ 145,496,792
Support services - students and staff	23,705,530	23,699,221	23,564,220	30,423,170	28,109,615
Support services - administration	19,752,995	17,478,195	17,511,969	18,696,791	18,985,110
Operation and maintenance of plant services	23,521,103	24,948,100	23,374,438	19,134,847	17,914,152
Student transportation services	12,543,222	11,353,011	12,897,691	12,352,644	10,392,338
Operation of non-instructional services	15,497,702	13,267,755	14,916,136	14,187,121	12,901,527
Interest on long-term debt	11,911,009	14,928,071	15,545,637	15,314,478	16,893,641
Total expenses	252,254,001	238,913,452	255,259,418	260,341,368	250,693,175
Program Revenues					
Charges for services:					
Instruction	11,142,937	8,416,951	7,450,076	4,397,975	10,664,507
Operation of non-instructional services	7,021,439	9,985,150	11,105,694	11,458,984	7,708,709
Other activities	965,113	39,608	1,166,976	247,509	645,791
Operating grants and contributions	17,597,115	21,362,077	18,447,066	20,397,423	12,724,841
Capital grants and contributions	741,507	998,268	715,787	373,869	319,049
Total program revenues	37,468,111	40,802,054	38,885,599	36,875,760	32,062,897
Net (Expense)/Revenue	\$ (214,785,890)	\$ (198,111,398)	\$ (216,373,819)	\$ (223,465,608)	\$ (218,630,278)

(Continued)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Expenses					
Instruction	\$ 143,954,535	\$ 125,490,708	\$ 113,869,184	\$ 104,905,767	\$ 101,500,930
Support services - students and staff	24,790,839	23,197,071	19,770,331	60,012,716	57,740,350
Support services - administration	20,461,956	18,046,295	14,530,553		
Operation and maintenance of plant services	19,046,976	16,544,450	16,857,928		
Student transportation services	9,784,345	9,964,930	7,124,752		
Operation of non-instructional services	9,332,698	9,570,555	9,152,610	7,585,488	6,156,758
Interest on long-term debt	14,244,381	15,503,270	9,504,598	12,190,328	13,009,151
Total expenses	<u>241,615,730</u>	<u>218,317,279</u>	<u>190,809,956</u>	<u>184,694,299</u>	<u>178,407,189</u>
Program Revenues					
Charges for services:					
Instruction	2,068,694	4,085,434	4,116,597	6,434,558	
Operation of non-instructional services	13,175,203	9,378,869	7,514,151	1,689,375	4,367,466
Other activities	1,674,402	896,798	456,496	2,581,336	6,587,113
Operating grants and contributions	14,399,291	12,386,532	10,373,287	10,705,269	16,727,652
Capital grants and contributions	625,655	326,591	822,494	5,409,143	10,925,521
Total program revenues	<u>31,943,245</u>	<u>27,074,224</u>	<u>23,283,025</u>	<u>26,819,681</u>	<u>38,607,752</u>
Net (Expense)/Revenue	<u>\$ (209,672,485)</u>	<u>\$ (191,243,055)</u>	<u>\$ (167,526,931)</u>	<u>\$ (157,874,618)</u>	<u>\$ (139,799,437)</u>

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

(Concluded)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
GENERAL REVENUES AND TOTAL CHANGES IN NET ASSETS
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Net (Expense)/Revenue	\$ (214,785,890)	\$ (198,111,398)	\$ (216,373,819)	\$ (223,465,608)	\$ (218,630,278)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	127,589,580	124,543,508	135,372,331	138,501,230	131,582,423
Property taxes, levied for debt service	35,177,583	58,885,879	69,711,445	50,257,693	62,310,748
Property taxes, levied for capital outlay	11,078,942	15,037,946	16,272,119	17,859,641	17,760,121
Investment income	599,421	1,283,196	1,202,937	2,717,214	6,525,102
Unrestricted county aid			229,750		
Unrestricted state aid	33,672,103	35,244,246	28,969,013	36,383,561	50,117,198
Unrestricted federal aid	618,328	1,212,659	4,059,463		
Total general revenues	<u>208,735,957</u>	<u>236,207,434</u>	<u>255,817,058</u>	<u>245,719,339</u>	<u>268,295,592</u>
Changes in Net Assets	<u>\$ (6,049,933)</u>	<u>\$ 38,096,036</u>	<u>\$ 39,443,239</u>	<u>\$ 22,253,731</u>	<u>\$ 49,665,314</u>

(Continued)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
GENERAL REVENUES AND TOTAL CHANGES IN NET ASSETS
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Net (Expense)/Revenue	\$ (209,672,485)	\$ (191,243,055)	\$ (167,526,931)	\$ (157,874,618)	\$ (139,799,437)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	117,420,864	114,142,175	112,044,640	148,301,263	135,959,661
Property taxes, levied for debt service	38,793,771	35,170,878	36,388,998		
Property taxes, levied for capital outlay	10,697,664	7,725,283	7,740,724		
Investment income	8,737,938	5,422,202	3,514,667	2,056,031	4,286,567
Unrestricted county aid	7,383	621,810	586,711	947,024	1,108,707
Unrestricted state aid	45,116,993	41,678,785	38,994,453	39,176,216	31,403,378
Unrestricted federal aid					
Total general revenues	<u>220,774,613</u>	<u>204,761,133</u>	<u>199,270,193</u>	<u>190,480,534</u>	<u>172,758,313</u>
Changes in Net Assets	<u>\$ 11,102,128</u>	<u>\$ 13,518,078</u>	<u>\$ 31,743,262</u>	<u>\$ 32,605,916</u>	<u>\$ 32,958,876</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)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
General Fund:					
Nonspendable	\$ 39,353	\$ 15,100,900			
Restricted					
Committed					
Assigned					
Unassigned	14,121,100	16,281,917			
Reserved			\$ 13,670,922	\$ 2,520,492	\$ 121,451
Unreserved			3,907,668	7,164,705	12,137,521
Total General Fund	<u>\$ 14,160,453</u>	<u>\$ 31,382,817</u>	<u>\$ 17,578,590</u>	<u>\$ 9,685,197</u>	<u>\$ 12,258,972</u>
All Other Governmental Funds:					
Nonspendable	\$ 230,174	\$ 168,596			
Restricted	72,266,270	78,755,539			
Committed					
Assigned					
Unassigned	(265,064)	(1,319,162)			
Reserved			\$ 194,383	\$ 1,319,395	\$ 203,641
Unreserved, reported in:					
Special revenue funds			13,707,372	20,986,930	27,079,146
Capital projects funds			10,023,791	12,781,771	23,252,334
Debt service fund			8,444,949	3,732,794	9,474,851
Total all other governmental funds	<u>\$ 72,231,380</u>	<u>\$ 77,604,973</u>	<u>\$ 32,370,495</u>	<u>\$ 38,820,890</u>	<u>\$ 60,009,972</u>

(Continued)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
General Fund:					
Reserved	\$ 81,599	\$ 94,307	\$ 43,707	\$ 5,231,155	\$ 404,026
Unreserved	7,658,579	13,770,712	12,720,739	5,041,494	293,654
Total General Fund	<u>\$ 7,740,178</u>	<u>\$ 13,865,019</u>	<u>\$ 12,764,446</u>	<u>\$ 10,272,649</u>	<u>\$ 697,680</u>
All Other Governmental Funds:					
Reserved	\$ 126,061	\$ 122,710	\$ 20,798		\$ 702,272
Unreserved, reported in:					
Special revenue funds	29,549,369	31,511,380	29,568,588	27,411,426	27,268,092
Capital projects funds	88,135,713	60,378,532	109,409,992	16,520,576	16,755,044
Debt service fund	5,949,241	15,953,214	15,041,608	9,193,331	7,937,135
Total all other governmental funds	<u>\$ 123,760,384</u>	<u>\$ 107,965,836</u>	<u>\$ 154,040,986</u>	<u>\$ 53,125,333</u>	<u>\$ 52,662,543</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)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Federal sources:					
Federal grants	\$ 14,017,649	\$ 13,460,104	\$ 15,437,856	\$ 11,763,005	\$ 9,446,124
State Fiscal Stabilization (ARRA)		317,354	4,059,463		
Education Jobs (ARRA)		5,023,508			
National School Lunch Program	4,263,960	4,370,328	4,077,528	3,109,392	2,829,134
Total federal sources	<u>18,281,609</u>	<u>23,171,294</u>	<u>23,574,847</u>	<u>14,872,397</u>	<u>12,275,258</u>
State sources:					
State equalization assistance	25,977,703	28,752,581	21,210,753	28,018,928	34,419,996
State grants	540,605	467,142	416,900	1,720,544	768,632
School Facilities Board					1,409,087
Other revenues	7,694,400	7,451,345	6,798,580	8,802,149	13,850,599
Total state sources	<u>34,212,708</u>	<u>36,671,068</u>	<u>28,426,233</u>	<u>38,541,621</u>	<u>50,448,314</u>
Local sources:					
Property taxes	172,517,119	200,710,698	212,292,088	198,914,373	211,328,645
County aid			229,750		
Food service sales	5,300,664	5,236,956	5,953,610	6,743,401	6,477,759
Investment income	278,734	1,004,963	772,592	2,165,185	5,886,443
Other revenues	13,828,760	13,204,753	13,769,136	13,025,569	12,541,248
Total local sources	<u>191,925,277</u>	<u>220,157,370</u>	<u>233,017,176</u>	<u>220,848,528</u>	<u>236,234,095</u>
Total revenues	<u>\$ 244,419,594</u>	<u>\$ 279,999,732</u>	<u>\$ 285,018,256</u>	<u>\$ 274,262,546</u>	<u>\$ 298,957,667</u>

(Continued)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Federal sources:					
Federal grants	\$ 10,521,632	\$ 10,080,194	\$ 7,918,482	\$ 5,919,742	\$ 7,013,078
State Fiscal Stabilization (ARRA) Education Jobs (ARRA)					
National School Lunch Program	2,568,175	2,251,152	2,094,378	1,689,375	1,690,509
Total federal sources	<u>13,089,807</u>	<u>12,331,346</u>	<u>10,012,860</u>	<u>7,609,117</u>	<u>8,703,587</u>
State sources:					
State equalization assistance	31,909,143	28,415,236	27,776,834	31,509,424	31,403,378
State grants	477,755	11,609,981	10,060,396	7,632,066	8,024,065
School Facilities Board	2,759,082	2,152,779	2,609,764	59,190	2,440,607
Other revenues	11,664,869				
Total state sources	<u>46,810,849</u>	<u>42,177,996</u>	<u>40,446,994</u>	<u>39,200,680</u>	<u>41,868,050</u>
Local sources:					
Property taxes	168,550,763	155,533,225	155,758,869	149,377,823	135,859,575
County aid	7,383	621,810	586,711	947,024	1,108,707
Food service sales	5,605,694	5,461,309	4,821,990	4,404,906	4,367,466
Investment income	8,112,267	5,422,202	3,514,667	776,009	2,167,474
Other revenues	11,312,605	8,899,792	8,319,703	8,861,639	6,779,505
Total local sources	<u>193,588,712</u>	<u>175,938,338</u>	<u>173,001,940</u>	<u>164,367,401</u>	<u>150,282,727</u>
Total revenues	<u>\$ 253,489,368</u>	<u>\$ 230,447,680</u>	<u>\$ 223,461,794</u>	<u>\$ 211,177,198</u>	<u>\$ 200,854,364</u>

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

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

(Concluded)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Expenditures:					
Current -					
Instruction	\$ 109,461,502	\$ 110,093,348	\$ 122,750,360	\$ 127,153,635	\$ 120,381,294
Support services - students and staff	20,375,974	22,167,880	22,795,238	29,827,558	27,990,156
Support services - administration	17,050,586	16,606,333	17,027,190	17,573,126	18,852,748
Operation and maintenance of plant services	21,444,896	24,192,366	23,245,880	18,574,493	17,565,176
Student transportation services	9,262,637	9,019,241	9,147,622	8,781,402	8,821,119
Operation of non-instructional services	14,123,546	13,842,184	14,466,608	13,811,574	12,701,796
Capital outlay	107,919,368	28,711,644	25,897,304	28,265,833	90,509,728
Debt service -					
Judgments against the district				1,037,611	
Capital lease payments					
Interest, premium and fiscal charges	14,486,720	13,026,538	15,545,637	15,314,478	16,893,641
Principal retirement	26,885,889	47,910,137	51,876,240	42,208,349	45,658,288
Payment to refunded bond escrow agent		2,085,933			
Bond issuance costs	369,500	796,980			
Total expenditures	<u>\$ 341,380,618</u>	<u>\$ 288,452,584</u>	<u>\$ 302,752,079</u>	<u>\$ 302,548,059</u>	<u>\$ 359,373,946</u>
Expenditures for capitalized assets	\$ 94,858,506	\$ 14,584,385	\$ 8,322,513	\$ 15,287,498	\$ 75,919,035
Debt service as a percentage of noncapital expenditures	17%	23%	23%	20%	22%

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Expenditures:					
Current -					
Instruction	\$ 117,678,953	\$ 105,288,856	\$ 103,761,206	\$ 100,457,352	\$ 99,743,567
Support services - students and staff	24,025,178	22,108,327	19,325,577	55,079,972	58,225,075
Support services - administration	18,845,652	16,604,220	13,966,028		
Operation and maintenance of plant services	18,610,793	15,941,269	15,166,294		
Student transportation services	8,325,830	7,437,871	5,975,282		
Operation of non-instructional services	10,308,291	8,392,428	9,126,402	7,406,004	6,172,603
Capital outlay	108,363,299	62,256,553	21,184,648	3,325,950	15,102,923
Debt service -					
Judgments against the district					
Capital lease payments				348,545	316,685
Interest, premium and fiscal charges	15,630,522	15,503,270	11,249,997	12,175,328	13,009,151
Principal retirement	40,696,264	22,131,108	23,370,540	20,120,000	17,730,000
Payment to refunded bond escrow agent				2,000,000	5,000,000
Bond issuance costs	946,477		254,018		
Total expenditures	<u>\$ 363,431,259</u>	<u>\$ 275,663,902</u>	<u>\$ 223,379,992</u>	<u>\$ 200,913,151</u>	<u>\$ 215,300,004</u>
Expenditures for capitalized assets	\$ 93,375,356	\$ 50,898,850	\$ 15,108,111	\$ 9,561,463	\$ 33,523,096
Debt service as a percentage of noncapital expenditures	21%	17%	17%	7%	7%

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Excess (deficiency) of revenues over expenditures	\$ (96,961,024)	\$ (8,452,852)	\$ (17,733,823)	\$ (28,285,513)	\$ (60,416,279)
Other financing sources (uses):					
General obligation bonds issued	59,000,000	59,000,000			
Refunding bonds issued		31,000,000			
Premium on sale of refunding bonds					
Premium on sale of bonds	2,991,292	2,154,160			
Capital lease agreements	27,373,744	6,593,460	9,151,403	1,007,861	1,067,229
Transfers in	4,597,473	2,075,111	6,409,941	3,441,638	1,903,033
Transfers out	(4,597,473)	(2,075,111)	(6,409,941)	(3,441,638)	(1,903,033)
Payment to refunded bond escrow agent		(32,172,780)			
Total other financing sources (uses)	<u>89,365,036</u>	<u>66,574,840</u>	<u>9,151,403</u>	<u>1,007,861</u>	<u>1,067,229</u>
Changes in fund balances	<u>\$ (7,595,988)</u>	<u>\$ 58,121,988</u>	<u>\$ (8,582,420)</u>	<u>\$ (27,277,652)</u>	<u>\$ (59,349,050)</u>
	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Excess (deficiency) of revenues over expenditures	\$ (109,941,891)	\$ (45,216,222)	\$ 81,802	\$ 10,264,047	\$ (14,445,640)
Other financing sources (uses):					
General obligation bonds issued	117,000,000		100,000,000		
Refunding bonds issued	100,600,000			34,183,640	133,675,000
Premium on sale of refunding bonds	8,163,526				
Premium on sale of bonds	1,977,144		1,999,417		
Proceeds from sale of capital assets				33,577	161,808
Capital lease agreements	288,337	89,133	1,392,881	15,278	15,818
Transfers in	6,293,185	2,371,905	3,016,380	350,370	525,752
Transfers out	(6,293,185)	(2,371,905)	(3,016,380)	(350,370)	(525,752)
Payment to refunded bond escrow agent	(108,408,052)			(34,183,640)	(133,675,000)
Total other financing sources (uses)	<u>119,620,955</u>	<u>89,133</u>	<u>103,392,298</u>	<u>48,855</u>	<u>177,626</u>
Changes in fund balances	<u>\$ 9,679,064</u>	<u>\$ (45,127,089)</u>	<u>\$ 103,474,100</u>	<u>\$ 10,312,902</u>	<u>\$ (14,268,014)</u>

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Real Property		Personal Property	Historical Property	Less: Tax Exempt Real Property	Secondary Assessed Valuation	Total Direct Rate	Estimated Actual Value	Ratio of Net Assessed to Estimated Actual Value
	Residential Property	Commercial Property							
2012	\$ 3,425,628,842	\$ 1,946,174,054	\$ 186,420,555	\$ 4,467,661	\$ 602,480,599	\$ 4,960,210,513	4.00	\$ 45,973,224,668	10.79 %
2011	4,161,468,808	2,743,353,679	202,822,119	5,845,523	794,135,691	6,319,354,438	3.75	57,348,835,479	11.02
2010	4,855,725,851	3,035,600,220	213,010,930	2,433,946	905,091,342	7,201,679,605	3.78	65,521,183,653	10.99
2009						7,159,783,184	3.89	65,628,952,152	10.91
2008						6,183,080,117	4.68	55,670,082,475	11.11
2007						4,363,145,629	4.71	37,133,132,154	11.75
2006						4,062,407,764	4.68	34,914,943,036	11.64
2005						3,746,387,346	5.03	31,776,527,063	11.79
2004						3,496,719,828	5.19	28,139,955,079	12.43
2003						3,098,562,046	5.30	24,134,530,787	12.84

PROPERTY TAX ASSESSMENT RATIOS

Fiscal Year Ended June 30	Mining, Utilities, Commercial and Industrial Property	Agriculture and Vacant Land	Owner Occupied Residential Property	Leased or Rented Residential Property	Railroad, Private Car Company and Airline Flight Property
2012	25%	14%	55%	7%	0%
2011	20%	16%	10%	10%	15%
2010	21%	16%	10%	10%	17%
2009	22%	16%	10%	10%	18%
2008	23%	16%	10%	10%	20%

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

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

**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Overlapping Rates							District Direct Rates		
	State Equalization	County	Community College District	City of Scottsdale	City of Phoenix	City of Tempe	East Valley Institute of Technology School District No. 401	Primary	Secondary	Total
	2012	0.43	1.24	1.21	1.09	1.82	1.79	0.05	2.75	1.25
2011	0.36	1.05	0.97	0.90	1.82	1.40	0.05	2.40	1.35	3.75
2010	0.33	0.99	0.88	0.74	1.82	1.40	0.05	2.44	1.34	3.78
2009		1.03	0.94	0.79	1.82	1.40	0.05	2.82	1.07	3.89
2008		1.10	0.98	0.79	1.82	1.40	0.05	3.42	1.26	4.68
2007		1.18	1.06	0.97	1.82	1.40	0.05	3.45	1.26	4.71
2006		1.20	1.03	1.04	1.82	1.40	0.06	3.46	1.22	4.68
2005		1.21	1.04	1.07	1.82	1.40	0.10	3.77	1.26	5.03
2004		1.55	1.08	1.12	1.82	1.40	0.10	3.89	1.30	5.19
2003		1.54	1.11	1.16	1.82	1.40	0.12	3.94	1.36	5.30

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

**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<u>Taxpayer</u>	<u>2012</u>		<u>2003</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>
Scottsdale Fashion Square LLC	\$ 49,818,123	1.00 %	\$ 49,837,135	1.61 %
Arizona Public Service Company	46,854,291	0.94	41,472,422	1.34
Starwood Phoenician CMBA LLC	24,861,840	0.50	37,158,841	1.20
Qwest Corporation	19,746,727	0.40	31,467,179	1.02
General Dynamics System	15,391,880	0.31	18,702,038	0.60
W J Small Grandchildren Trust	14,949,433	0.30		
Portales Corporation Center LLC	14,017,574	0.28		
M L Resort Holding LLC	13,594,000	0.27		
Scottsdale Fashion Square Partership	13,192,660	0.27		
Drug (AZ) QRS 14-42 Inc.	12,502,387	0.25		
Gainey Ranch Financial			18,926,132	0.61
Gainey Drive Associates			19,265,730	0.62
Gainey Ranch Corp Center			17,932,898	0.58
Marriot Corporation			15,722,025	0.51
Scottsdale Plaza Resort			10,889,426	0.35
	<u>\$ 224,928,915</u>	<u>4.52 %</u>	<u>\$ 261,373,826</u>	<u>8.44 %</u>

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Fiscal Years	Collected to the End of the Current Fiscal Year	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$ 197,438,367	\$ 185,889,225	94.15 %	\$	\$ 185,889,225	94.15 %
2011	227,752,165	217,680,125	95.58	10,034,849	227,714,974	99.98
2010	242,359,809	220,594,794	91.02	21,727,824	242,322,618	99.98
2009	227,393,423	212,062,159	93.26	6,252,523	218,314,682	96.01
2008	237,417,646	230,341,958	97.02	4,671,714	235,013,672	98.99
2007	193,926,037	188,685,468	97.30	5,217,244	193,902,712	99.99
2006	178,630,188	171,535,877	96.03	7,084,523	178,620,400	99.99
2005	177,711,029	171,309,334	96.40	6,373,905	177,683,239	99.98
2004	168,823,363	162,620,956	96.33	6,176,034	168,796,990	99.98
2003	156,676,979	149,423,536	95.37	7,233,861	156,657,397	99.99

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.

**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
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	
2012	\$ 311,050,000	\$ 11,064,863	\$ 299,985,137	0.65 %	\$ 1,096	\$ 38,000,437	\$ 337,985,574	0.74 %	\$ 1,229	0.24% %	
2011	252,550,000	8,442,094	244,107,906	0.43	888	13,007,582	257,115,488	0.45	934	0.18%	
2010	271,585,000	31,955,000	239,630,000	0.37	1,032	8,244,259	247,874,259	0.38	1,064	0.17%	
2009	321,805,000	32,990,000	288,815,000	0.44	1,223	1,784,096	290,599,096	0.44	1,229	0.21%	
2008	375,460,000	45,155,000	330,305,000	0.59	1,588	1,494,584	331,799,584	0.60	1,595	0.25%	
2007	402,600,000	27,140,000	375,460,000	1.01	1,324	930,643	376,390,643	1.01	1,327	0.31%	
2006	320,655,000	21,855,000	298,800,000	0.86	1,270	998,570	299,798,570	0.86	1,274	0.27%	
2005	343,605,000	22,950,000	320,655,000	1.01	1,579	1,185,545	321,840,545	1.01	1,585	0.31%	
2004	263,725,000	20,120,000	243,605,000	0.87	1,226	213,204	243,818,204	0.87	1,227	0.25%	
2003	283,440,000	17,730,000	265,710,000	1.10	1,398	546,471	266,256,471	1.10	1,401	0.28%	

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2012

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to School District</u>	<u>Estimated Amount Applicable to School District</u>
Maricopa County Community College District	\$ 671,250,000	12.80 %	\$ 85,920,000
City of Scottsdale	573,380,000	60.98	349,647,124
City of Phoenix	1,544,489,000	5.55	85,719,140
City of Tempe	454,301,092	0.71	3,225,538
DC Ranch Community Facilities District	15,660,000	100.00	15,660,000
McDowell Mountain Ranch Community Facilities District	12,430,000	100.00	12,430,000
Scottsdale Mountain Community Facilities District	2,640,000	100.00	2,640,000
Via Linda Road Community Facilities District	2,320,000	50.91	1,181,112
Waterfront Community Facilities District	3,695,000	100.00	3,695,000
Subtotal, Overlapping Debt			<u>560,117,914</u>
Direct:			
Scottsdale Unified School District No. 48			<u>349,050,437</u>
Total Direct and Overlapping Debt			<u><u>\$ 909,168,351</u></u>

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

- Notes:** 1) Estimated percentage of debt outstanding applicable to the District is calculated based on the District's secondary assessed valuation as a percentage of the secondary assessed valuation of the overlapping jurisdiction.
2) Outstanding debt as of June 30, 2011 is presented for the overlapping governments as this is the most recent available information.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Class B Bond Legal Debt Margin Calculation for Fiscal Year 2012:

Secondary assessed valuation	\$ 4,960,210,513
Debt limit (10% of assessed value)	496,021,051
Debt applicable to limit	<u>311,050,000</u>
Legal debt margin	<u><u>\$ 184,971,051</u></u>

Total Legal Debt Margin Calculation for Fiscal Year 2012:

Secondary assessed valuation	\$4,960,210,513
Debt limit (30% of assessed value)	1,488,063,154
Debt applicable to limit	<u>311,050,000</u>
Legal debt margin	<u><u>\$1,177,013,154</u></u>

Fiscal Year Ended June 30

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total Debt limit	\$ 1,488,063,154	\$1,895,806,331	\$2,160,503,882	\$ 2,147,934,955	\$1,854,924,035
Total net debt applicable to limit	<u>311,050,000</u>	<u>252,550,000</u>	<u>239,630,000</u>	<u>288,815,000</u>	<u>330,305,000</u>
Legal debt margin	<u><u>\$ 1,177,013,154</u></u>	<u><u>\$1,643,256,331</u></u>	<u><u>\$1,920,873,882</u></u>	<u><u>\$ 1,859,119,955</u></u>	<u><u>\$1,524,619,035</u></u>
Total net debt applicable to the limit as a percentage of debt limit	21%	13%	11%	13%	18%
	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Debt limit	\$ 1,308,943,689	\$1,218,722,329	\$1,123,916,204	\$ 1,049,015,948	\$ 929,568,614
Total net debt applicable to limit	<u>375,460,000</u>	<u>298,800,000</u>	<u>320,655,000</u>	<u>243,605,000</u>	<u>265,710,000</u>
Legal debt margin	<u><u>\$ 933,483,689</u></u>	<u><u>\$ 919,922,329</u></u>	<u><u>\$ 803,261,204</u></u>	<u><u>\$ 805,410,948</u></u>	<u><u>\$ 663,858,614</u></u>
Total net debt applicable to the limit as a percentage of debt limit	29%	25%	29%	23%	29%

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.

**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
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>
2011	3,843,370	\$ 142,864,275	\$ 37,352	8.4 %	283,918
2010	4,023,331	142,091,618	35,319	9.1	284,440
2009	3,862,036	147,122,078	37,168	8.7	263,061
2008	3,987,942	139,665,253	36,135	4.9	263,192
2007	3,907,492	132,423,154	35,046	3.2	236,373
2006	3,792,675	120,716,738	33,178	3.5	304,000
2005	3,895,205	111,103,576	31,757	4.4	252,500
2004	3,742,460	102,277,852	30,160	4.6	217,555
2003	3,598,440	96,998,974	29,020	5.0	215,090
2002	3,296,300	93,544,549	29,117	5.3	202,705

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 2002 through 2010 is the University of Arizona, Eller College of Management, Economic and Business Research Center. For the year 2011 the source of the information is the Arizona Office of Employment and Population Statistics.

**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<u>Employer</u>	<u>2012</u>		<u>2003</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
State of Arizona	49,800	2.94 %	49,850	2.93 %
Wal-Mart Stores Inc.	30,635	1.81	15,895	0.93
Banner Health Systems	25,825	1.53	15,520	0.91
City of Phoenix	15,100	0.89	13,155	0.77
Wells Fargo Company	13,310	0.79	8,800	0.52
Maricopa County	12,790	0.76	15,525	0.91
Apollo Group Inc.	11,000	0.65		
Arizona State University	11,185	0.66	9,110	0.53
Bank of America	13,300	0.79		
Intel Corp.	10,300	0.61	10,000	0.59
JP Morgan Chase & Co	10,600	0.63		
Mesa Public Schools	8,380	0.50		
U.S. Postal Service	8,020	0.47	11,405	0.67
US Airways	9,090	0.54		
Honeywell			15,000	0.88
The Kroger Co.			13,500	0.79
Motorola			10,600	0.62
America West Holdings Corp.			9,300	0.55
Target Corp.			8,070	0.47
Luke Air Force Base			8,000	0.47
American Express Co.			7,225	0.42
Safeway Inc.			9,100	0.53
Qwest Communications Inc.			7,700	0.45
Banc One Corp.			7,600	0.45
Total	<u>229,335</u>	<u>13.57</u> %	<u>245,355</u>	<u>14.39</u> %
Total employment	<u>1,692,300</u>		<u>1,704,221</u>	

Source: The Business Journal Book of Lists

Notes: The principal employers were not available for the District alone, therefore the principal employers for Maricopa County are presented.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST NINE FISCAL YEARS

	Full-time Equivalent Employees as of June 30				
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Supervisory					
Superintendent					
Assistant superintendents					
Consultants/supervisors of instruction	14	15	14	18	17
Principals	30	29	31	31	32
Assistant principals	43	38	38	45	43
Total supervisory	<u>87</u>	<u>82</u>	<u>83</u>	<u>94</u>	<u>92</u>
Instruction					
Teachers	1,437	1,402	1,480	1,590	1,608
Other professionals (instructional)	193	118	113	112	89
Aides	305	353	317	314	282
Total instruction	<u>1,935</u>	<u>1,873</u>	<u>1,910</u>	<u>2,016</u>	<u>1,979</u>
Student Services					
Librarians	2	9	11	11	31
Technicians	43	27	28	28	41
Total student services	<u>45</u>	<u>36</u>	<u>39</u>	<u>39</u>	<u>72</u>
Support and Administration					
Service Workers	524	447	569	613	618
Unskilled laborers	341	353	255	250	242
Total support and administration	<u>865</u>	<u>800</u>	<u>824</u>	<u>863</u>	<u>860</u>
Total	<u><u>2,932</u></u>	<u><u>2,791</u></u>	<u><u>2,856</u></u>	<u><u>3,012</u></u>	<u><u>3,003</u></u>

(Continued)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST NINE FISCAL YEARS

	Full-time Equivalent Employees as of June 30			
	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Supervisory				
Superintendent				
Assistant superintendents				
Consultants/supervisors of instruction	16	16	16	16
Principals	27	32	32	31
Assistant principals	35	36	36	36
Total supervisory	<u>78</u>	<u>84</u>	<u>84</u>	<u>83</u>
Instruction				
Teachers	1,580	1,462	1,457	1,447
Other professionals (instructional)	65	87	86	85
Aides	166	197	187	182
Total instruction	<u>1,811</u>	<u>1,746</u>	<u>1,730</u>	<u>1,714</u>
Student Services				
Librarians	37	27	25	24
Technicians	3	3	19	17
Total student services	<u>40</u>	<u>30</u>	<u>44</u>	<u>41</u>
Support and Administration				
Service Workers	595	600	525	522
Unskilled laborers	240	234	235	234
Total support and administration	<u>835</u>	<u>834</u>	<u>760</u>	<u>756</u>
Total	<u><u>2,764</u></u>	<u><u>2,694</u></u>	<u><u>2,618</u></u>	<u><u>2,594</u></u>

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

(Concluded)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Average Daily Membership	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Free/Reduced Students
2012	24,402	\$ 191,719,141	\$ 7,857	(0.54) %	\$ 252,254,001	\$ 10,337	7.31 %	1,935	12.6	26.3 %
2011	24,802	195,921,352	7,899	(4.08)	238,913,452	9,633	(4.03)	1,873	13.2	25.7
2010	25,432	209,432,898	8,235	(2.11)	255,259,418	10,037	(1.14)	1,593	16.0	24.7
2009	25,642	215,721,788	8,413	2.10	260,341,368	10,153	1.40	1,702	15.1	22.1
2008	25,038	206,312,289	8,240	5.64	250,693,175	10,013	5.08	1,697	14.8	19.3
2007	25,358	197,794,697	7,800	13.31	241,615,730	9,528	11.44	1,645	15.4	19.9
2006	25,534	175,772,971	6,884	3.99	218,317,279	8,550	13.26	1,592	16.0	18.1
2005	25,277	167,320,789	6,619	3.64	190,809,956	7,549	4.27	1,825	13.9	18.1
2004	25,511	162,943,328	6,387	1.55	184,694,299	7,240	5.91	1,590	16.0	16.2
2003	26,098	164,141,245	6,289	1.72	178,407,189	6,836	8.22	1,680	15.5	15.0

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

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
CAPITAL ASSETS INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30									
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
<u>Schools</u>										
Elementary										
Buildings	163	166	166	166	166	166	160	160	160	160
Square feet	1,427,918	1,399,949	1,399,949	1,399,949	1,399,949	1,399,949	1,389,364	1,389,364	1,389,364	1,389,364
Capacity	15,336	15,336	15,336	15,336	15,336	15,336	15,336	15,336	15,336	15,336
Enrollment	11,707	12,816	13,694	13,727	11,734	11,674	11,826	10,471	11,947	11,964
Middle										
Buildings	62	78	78	78	78	78	78	78	78	78
Square feet	852,118	859,360	859,360	859,360	859,360	859,360	859,360	859,360	859,360	859,360
Capacity	8,592	8,592	8,592	8,592	8,592	8,592	8,592	8,592	8,592	8,592
Enrollment	4,277	4,349	4,566	4,640	5,231	5,091	5,105	6,400	5,838	5,830
High										
Buildings	48	48	48	48	42	42	49	49	49	49
Square feet	1,729,392	1,729,392	1,729,392	1,729,392	1,665,520	1,405,247	1,424,419	1,429,419	1,424,419	1,424,419
Capacity	11,784	11,784	11,784	11,784	12,598	10,630	10,630	10,630	10,630	10,630
Enrollment	8,731	8,724	8,724	8,510	8,858	8,498	8,514	8,318	8,167	8,205
Other										
Buildings	4	4	4	4	4	4	1	1	1	1
Square feet	33,998	33,998	33,998	33,998	33,998	33,998	18,000	18,000	18,000	18,000
Capacity	250	250	250	250	250	250	250	250	250	250
Enrollment	59	82	98	115	100	100	72	93	81	90
<u>Administrative</u>										
Buildings	4	3	3	3	3	3	3	3	3	3
Square feet	36,651	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
<u>Transportation</u>										
Garages	2	2	2	2	2	2	2	2	2	2
Buses	218	211	202	202	202	202	202	204	159	151
<u>Athletics</u>										
Football fields	5	5	5	5	5	5	5	5	5	5
Soccer fields	7	7	0	0	0	0	0	0	0	0
Running tracks	5	5	5	5	5	5	5	5	5	5
Baseball/softball	62	63	63	63	63	63	59	59	59	59
Swimming pools	0	0	0	0	0	0	0	0	0	0
Playgrounds	67	67	22	22	22	22	22	22	22	22

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