



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, 2010

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48

PHOENIX, ARIZONA

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

Issued by:
Finance Department

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48

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INTRODUCTORY SECTION

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3811 North 44th Street
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December 16, 2010

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, 2010.

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, 2010, 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, 2010, 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, component units 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 263,061.

The District has 31 schools on 31 sites with a 2009-10 average daily membership of 25,432, a decrease of less than one 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 2010 estimated population of 230,179, an increase of 77 percent.

Scottsdale is characterized by a hospitality industry serving both the business and leisure visitor. 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.

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 30,000 employees and more than 3,000 businesses.

Downtown Scottsdale is considered by many as the Central Business District, featuring a roughly 2 mile square area. An estimated 30,000 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.

Southern Scottsdale is experiencing 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.

Midtown Scottsdale is comprised of master planned residential areas. It is also home to substantive business core that includes a high concentration of banking/financial firms, insurance and pharmaceuticals such as: Scottsdale Insurance Company, DMB Associates, Wells Fargo, Hyatt at Gainey Resort, Johnson Bank and Meagher & Geer.

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 500 square miles. Phoenix is the fifth most populous city in the United States and according to the 2009 census estimate, the population of the city was 1,602,704. 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. The City of Phoenix maintains a Moody's general obligation bond rating of Aa1. It enjoys a highly diversified economic base consisting of manufacturing, agriculture, tourism, construction, education, distribution centers, finance and retailing.

As the 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. 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 secondary assessed value has grown at an average rate of 9.3 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 "Student 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 just completed major renovations on all five high schools and in November of 2007 received voter approval for a \$9.9 million per year Capital Outlay Override that will be used to upgrade technology and curriculum. The Override will be in place for seven years. The District also planned a \$118 million bond initiative that passed on the November 2010 ballot to rebuild and remodel all 7 of our middle schools, create more energy efficiencies and improve security district wide.

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, 2009. 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, 2009. 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 2009-10 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,



Dr. Gary Catalani
Superintendent



Sherry Celaya
Director of Finance

**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, 2009

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

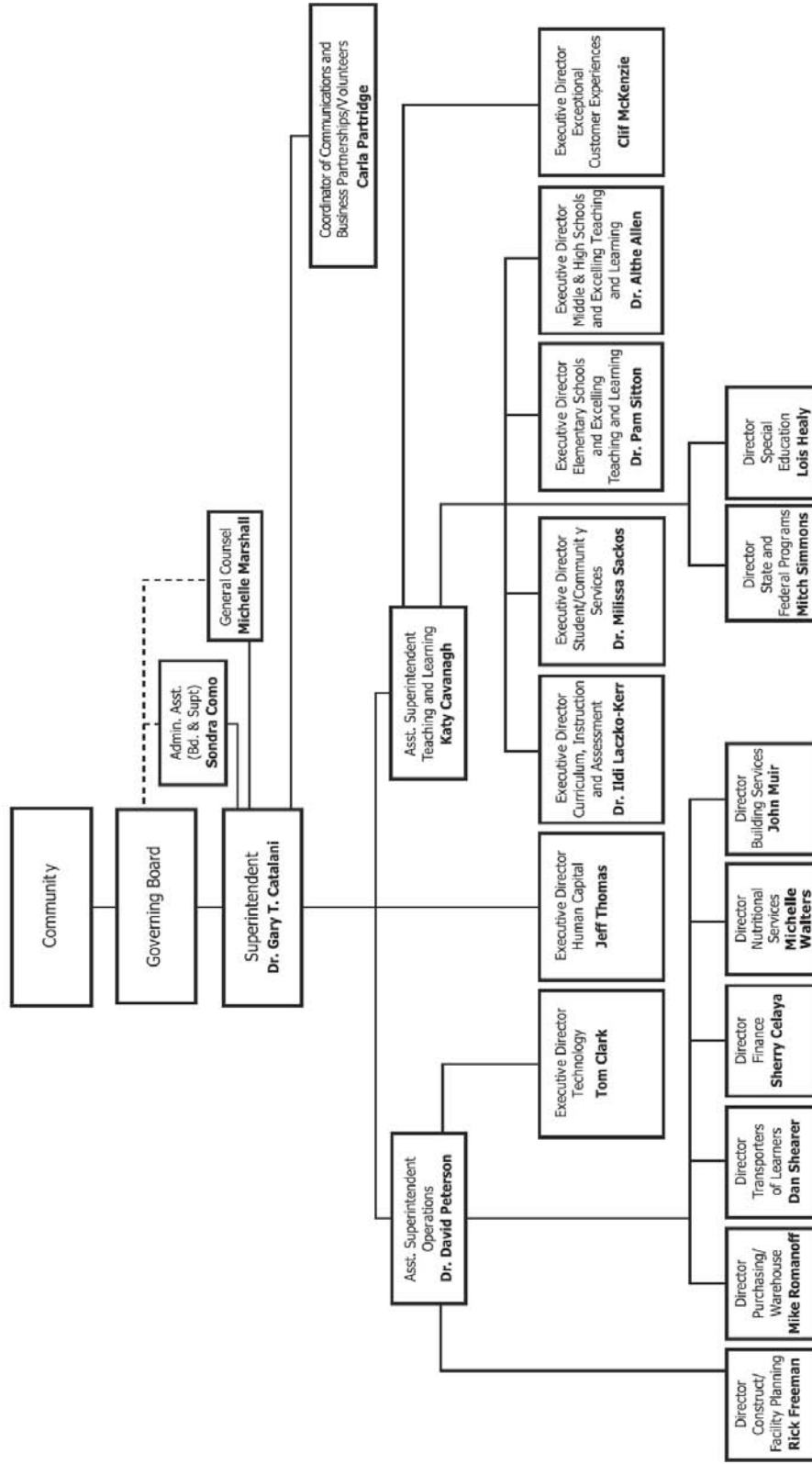
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

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.



President

Executive Director



SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48

LIST OF PRINCIPAL OFFICIALS

GOVERNING BOARD

Jennifer Peterson
President

Karen Beckvar
Member

Eric Meyer
Member

Bonnie Sneed
Member

Dieter Schaefer
Member

ADMINISTRATIVE STAFF

Dr. Gary Catalani, Superintendent

Dr. David Peterson, Assistant Superintendent for Facilities and Operations

Katy Cavanagh, Assistant Superintendent for Teaching and Learning

Michelle Marshall, General Counsel

Jeff Thomas, Assistant Superintendent for Human Resources

Dr. Althe Allen, Executive Director for Secondary Schools

Pam Sitton, Executive Director for Elementary Schools

Dr. Ildi Laczko-Kerr, Executive Director for Student Information Management and
Accountability Reporting

Dr. Milissa Sackos, Executive Director for Student/Community Service

Tom Clark, Executive Director for Technology & Information Systems

Clif McKenzie, Executive Director for Exceptional Customer Experiences

Carla Partridge, Coordinator Communications and Business Partnerships

Sherry Celaya, Director of Finance Services

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, 2010, 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, 2010, and the respective changes in financial position and cash flows, where applicable, 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 December 16, 2010, 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 14 and budgetary comparison information on pages 52 and 53 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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.
Certified Public Accountants

December 16, 2010

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, 2010**

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, 2010. 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 increased \$39.4 million, which represents a 21 percent increase from the prior fiscal year, as a result of increased property tax receivables and the principal retirement of \$50.2 million of bonds.
- General revenues accounted for \$255.8 million in revenue, or 87 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$38.9 million or 13 percent of total current fiscal year revenues.
- The District had approximately \$255.3 million in expenses related to governmental activities, a decrease of 2 percent from the prior fiscal year.
- Among major funds, the General Fund had \$152.4 million in current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$161.6 million in expenditures. The General Fund's fund balance increase from \$9.7 million at the prior fiscal year end to \$17.6 million at the end of the current fiscal year was primarily due to the District prepayment of \$13.5 million for insurance.
- Net assets for the Internal Service Funds increased \$788,253 from the prior fiscal year. Operating revenues of \$3.4 million exceeded operating expenses of \$3.0 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.

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.

**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

OVERVIEW OF FINANCIAL STATEMENTS (Cont'd)

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.

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.

**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

OVERVIEW OF FINANCIAL STATEMENTS (Concl'd)

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and the Debt Service Fund, both 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 Unemployment Insurance Fund, which accounts for the contributions from other funds to be expended for payments of unemployment insurance claims and premiums to the Arizona Department of Economic Security and (2) the Print Shop Fund, which accounts for District charges to other departments for printing and copying services. 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.

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.

**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

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 \$226.9 million at the current year end.

A portion of the District's net assets (53 percent) reflects its investment in capital assets (e.g., land, land and improvements, buildings and improvements, and vehicles, and furniture and equipment), 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 (9 percent) are restricted by statute for the specified purposes of debt service repayment and capital outlay investment.

The following table presents a summary of the District's net assets for the fiscal years ended June 30, 2010 and June 30, 2009.

	As of June 30, 2010	As of June 30, 2009
Current and other assets	\$ 130,321,328	\$ 119,052,971
Capital assets, net	399,470,309	414,481,161
Total assets, net	<u>529,791,637</u>	<u>533,534,132</u>
Current and other liabilities	12,691,829	11,873,779
Long-term liabilities	290,197,646	334,201,430
Total liabilities	<u>302,889,475</u>	<u>346,075,209</u>
Net assets:		
Invested in capital assets, net of related debt	119,641,050	91,163,244
Restricted	21,350,236	18,163,103
Unrestricted	85,910,876	78,132,576
Total net assets	<u>\$ 226,902,162</u>	<u>\$ 187,458,923</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.

**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

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

- The principal retirement of \$50.2 million of bonds.
- The addition of \$8.3 million in capital assets.
- Depreciation expense of capital assets resulted in an increase in accumulated depreciation of \$23.3 million.
- The addition of \$9.2 million of capital leases.
- The increase of \$8.9 million in property taxes receivable.
- The increase of \$9.9 million in prepaid items.

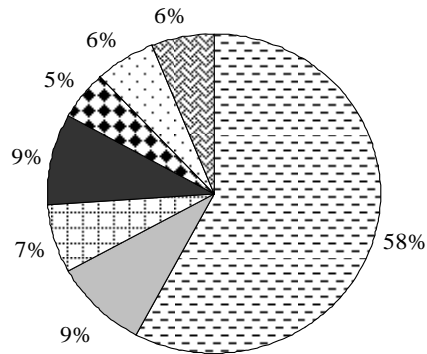
Changes in net assets. The District's total revenues for the current fiscal year were \$294.7 million. The total cost of all programs and services was \$255.3 million. The following table presents a summary of the changes in net assets for the fiscal years ended June 30, 2010 and June 30, 2009.

	Fiscal Year Ended June 30, 2010	Fiscal Year Ended June 30, 2009
Revenues:		
Program revenues:		
Charges for services	\$ 19,722,746	\$ 16,104,468
Operating grants and contributions	18,447,066	20,397,423
Capital grants and contributions	715,787	373,869
General revenues:		
Property taxes	221,355,895	206,618,564
Investment income	1,202,937	2,717,214
Unrestricted county aid	229,750	
Unrestricted state aid	28,969,013	36,383,561
Unrestricted federal aid	4,059,463	
Total revenues	294,702,657	282,595,099
Expenses:		
Instruction	147,449,327	150,232,317
Support services – students and staff	23,564,220	30,423,170
Support services – administration	17,511,969	18,696,791
Operation and maintenance of plant services	23,374,438	19,134,847
Student transportation services	12,897,691	12,352,644
Operation of non-instructional services	14,916,136	14,187,121
Interest on long-term debt	15,545,637	15,314,478
Total expenses	255,259,418	260,341,368
Change in net assets	\$ 39,443,239	\$ 22,253,731

**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

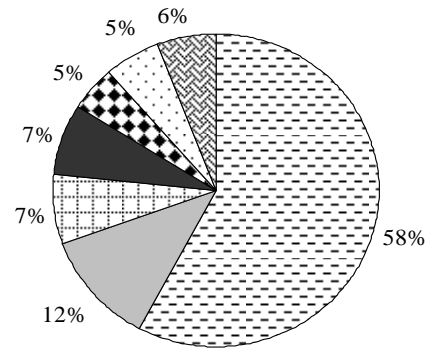
GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

Fiscal Year 2009-10 Expenses



- ☐ Instruction
- ▨ Support services - administration
- ▩ Student transportation services
- ▧ Interest on long-term debt

Fiscal Year 2008-09 Expenses



- ▨ Support services - students and staff
- ▩ Operation and maintenance of plant services
- ▧ Operation of non-instructional services

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

- Unrestricted state aid decreased \$7.4 million to \$29.0 million for the current fiscal year primarily due to unprecedented cuts at the state level and an increase in the District's assessed value which reduces additional state aid.
- Property taxes increased \$14.7 million to \$221.4 million for the current fiscal year due to an increase in property tax receivable.
- Unrestricted federal aid increased \$4.1 million due to monies received from the American Recovery and Reinvestment Act.
- The decrease in support services – students and staff of \$6.9 million due to a 25 percent decrease in hours assigned to teachers on assignment.

**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Concl'd)

The following table presents the cost of the seven major District functional activities: instruction, support services - students and staff, support services - administration, operation and maintenance of plant services, student transportation services, operation of non-instructional services and interest on long-term debt. 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.

	<u>Year Ended June 30, 2010</u>		<u>Year Ended June 30, 2009</u>	
	<u>Total Expenses</u>	<u>Net (Expense)/ Revenue</u>	<u>Total Expenses</u>	<u>Net (Expense)/ Revenue</u>
Instruction	\$ 147,449,327	\$ (129,332,018)	\$ 150,232,317	\$(136,017,708)
Support services – students and staff	23,564,220	(19,656,167)	30,423,170	(27,349,915)
Support services – administration	17,511,969	(17,369,806)	18,696,791	(18,207,231)
Operation and maintenance of plant services	23,374,438	(22,123,912)	19,134,847	(17,419,857)
Student transportation services	12,897,691	(12,755,528)	12,352,644	(11,985,474)
Operation of non-instructional services	14,916,136	409,249	14,187,121	2,829,055
Interest on long-term debt	15,545,637	(15,545,637)	15,314,478	(15,314,478)
Total	<u>\$ 255,259,418</u>	<u>\$ (216,373,819)</u>	<u>\$ 260,341,368</u>	<u>\$(223,465,608)</u>

- The cost of all governmental activities this year was \$255.3 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$38.9 million.
- Net cost of governmental activities of \$216.4 million was financed by general revenues, which are made up of primarily property taxes of \$221.4 million and state aid of \$29.0 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, unreserved 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, 2010**

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 \$49.9 million, an increase of \$1.4 million due primarily to increased property tax revenue and the addition of \$9.2 million of capital lease agreements.

The General Fund comprises 35 percent of the total fund balance. Approximately \$3.9 million, or 22 percent of the General Fund's fund balance, constitutes unreserved fund balance. The remaining fund balance is reserved to indicate that it is not available for spending because it has already been committed as follows:

- \$13,518,007 for prepaid items
- \$152,915 for inventory

The General Fund is the principal operating fund of the District. The increase in fund balance of \$7.9 million to \$17.6 million as of fiscal year end was a result of the District's prepayment of insurance expense. General Fund revenues decreased \$6.3 million. General Fund expenditures decreased \$4.3 million.

The fund balance in the Debt Service Fund was \$8.4 million as of fiscal year end. The increase in fund balance of \$4.7 million during the year was primarily due to an increase in property tax revenue.

Proprietary funds. Unrestricted net assets of the Internal Service Funds at the end of the fiscal year amounted to \$12.5 million. The increase of \$788,253 from the prior fiscal year was insignificant.

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 \$1.8 million increase, or 1 percent.

**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

BUDGETARY HIGHLIGHTS (Concl'd)

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 variances are summarized as follows:

- The unfavorable variance of \$4.3 million in regular education – instruction and the favorable variance of \$3.9 million in regular education – support services – student and staff was the result of the District recoding salary expense for Teachers on Assignment because of work they are performing in the classroom.
- The favorable variance of \$2.9 million in regular education – support services - administration was a result of unexpended funds for the prepayment of insurance.
- The favorable variance of \$1.6 million in special education – students and staff was a result of American Recovery and Reinvestment Act-IDEA Part B funds received by the District.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. As of year end, the District had invested \$640.3 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$8.1 million from the prior fiscal year, primarily due to mechanical and electrical building renovations to improve efficiencies at the District. Total depreciation expense for the current fiscal year was \$23.3 million.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2010 and June 30, 2009.

	As of <u>June 30, 2010</u>	As of <u>June 30, 2009</u>
Capital assets – non-depreciable	\$ 26,951,811	\$ 26,951,811
Capital assets – depreciable, net	<u>372,518,498</u>	<u>387,529,350</u>
Total	<u>\$ 399,470,309</u>	<u>\$ 414,481,161</u>

Additional information on the District's capital assets can be found in Note 5.

**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

CAPITAL ASSETS AND DEBT ADMINISTRATION (Concl'd)

Debt Administration. At year-end, the District had \$279.8 million in long-term debt outstanding, \$33.8 million due within one year. This represents a net decrease of \$43.8 million.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 30 percent of the total secondary assessed valuation) and the statutory debt limit on Class B bonds (the greater of 10% of the secondary assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$2.2 billion and the Class B debt limit is \$720.2 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 6-8.

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 2010-11 budget. Among them:

- Fiscal year 2009-10 budget balance carry forward (estimated \$2.3 million).
- District student population (estimated 25,250).
- Employee salaries were reduced \$4.5 million due to budget reductions at the state level. This was done through reduction in force.

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 3 percent to \$158.3 million in fiscal year 2010-11. State mandated budget cuts are the primary reason for the decrease. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2010-11 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.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
STATEMENT OF NET ASSETS
JUNE 30, 2010

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 79,360,076
Property taxes receivable	24,374,463
Accounts receivable	539,871
Deposits	200,000
Due from governmental entities	11,981,613
Prepaid items	13,518,007
Inventory, at cost	347,298
Total current assets	130,321,328
Noncurrent assets:	
Land	26,951,811
Land improvements	27,754,707
Buildings and improvements	555,409,302
Vehicles, furniture and equipment	30,135,410
Accumulated depreciation	(240,780,921)
Total noncurrent assets	399,470,309
Total assets	529,791,637
 <u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	4,045,417
Claims payable	115,694
Due to governmental entities	189,752
Accrued payroll and employee benefits	1,606,659
Compensated absences payable	507,500
Accrued interest payable	6,279,167
Unearned revenues	455,140
Obligations under capital leases	1,857,720
Bonds payable	31,955,000
Total current liabilities	47,012,049
Noncurrent liabilities:	
Non-current portion of long-term obligations	255,877,426
Total non-current liabilities	255,877,426
Total liabilities	302,889,475
 <u>NET ASSETS</u>	
Invested in capital assets, net of related debt	119,641,050
Restricted for:	
Debt service	10,141,798
Capital outlay	11,208,438
Unrestricted	85,910,876
Total net assets	\$ 226,902,162

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2010

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense)</u> <u>Revenue</u> <u>and Changes</u> <u>in Net Assets</u>
		<u>Charges for</u> <u>Services</u>	<u>Operating</u> <u>Grants and</u> <u>Contributions</u>	<u>Capital Grants</u> <u>and</u> <u>Contributions</u>	<u>Governmental</u> <u>Activities</u>
Governmental activities:					
Instruction	\$ 147,449,327	\$ 7,450,076	\$ 9,951,446	\$ 715,787	\$ (129,332,018)
Support services - students and staff	23,564,220		3,908,053		(19,656,167)
Support services - administration	17,511,969		142,163		(17,369,806)
Operation and maintenance of plant services	23,374,438	1,166,976	83,550		(22,123,912)
Student transportation services	12,897,691		142,163		(12,755,528)
Operation of non-instructional services	14,916,136	11,105,694	4,219,691		409,249
Interest on long-term debt	15,545,637				(15,545,637)
Total governmental activities	<u>\$ 255,259,418</u>	<u>\$ 19,722,746</u>	<u>\$ 18,447,066</u>	<u>\$ 715,787</u>	<u>(216,373,819)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	135,372,331
Property taxes, levied for debt service	69,711,445
Property taxes, levied for capital outlay	16,272,119
Investment income	1,202,937
Unrestricted county aid	229,750
Unrestricted state aid	28,969,013
Unrestricted federal aid	4,059,463
Total general revenues	<u>255,817,058</u>

Changes in net assets	39,443,239
Net assets, beginning of year	<u>187,458,923</u>
Net assets, end of year	<u>\$ 226,902,162</u>

The notes to the 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, 2010

	<u>General</u>	<u>Debt Service</u>	<u>Non-Major Governmental Funds</u>
<u>ASSETS</u>			
Cash and investments	\$	\$ 45,950,551	\$ 20,657,347
Property taxes receivable	20,620,133	2,425,414	1,328,916
Accounts receivable			539,871
Deposits			200,000
Due from governmental entities	7,405,197		4,576,416
Due from other funds			5,565,622
Prepaid items	13,518,007		
Inventory, at cost	152,915		194,383
Total assets	<u>\$ 41,696,252</u>	<u>\$ 48,375,965</u>	<u>\$ 33,062,555</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 1,800,275	\$	\$ 2,150,866
Due to governmental entities	189,752		
Due to other funds	724,330		4,841,292
Accrued payroll and employee benefits	1,187,695		418,964
Deferred revenues	20,215,610	1,696,849	1,725,887
Bonds payable		31,955,000	
Bond interest payable		6,279,167	
Total liabilities	<u>24,117,662</u>	<u>39,931,016</u>	<u>9,137,009</u>
Fund balances:			
Reserved for prepaid items	13,518,007		
Reserved for inventory	152,915		194,383
Unreserved:			
Undesignated	3,907,668	8,444,949	
Unreserved reported in:			
Special revenue funds			13,707,372
Capital projects funds			10,023,791
Total fund balances	<u>17,578,590</u>	<u>8,444,949</u>	<u>23,925,546</u>
Total liabilities and fund balances	<u>\$ 41,696,252</u>	<u>\$ 48,375,965</u>	<u>\$ 33,062,555</u>

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

Total
Governmental
Funds

\$ 66,607,898
24,374,463
539,871
200,000
11,981,613
5,565,622
13,518,007
347,298

\$ 123,134,772

\$ 3,951,141
189,752
5,565,622
1,606,659
23,638,346
31,955,000

6,279,167

73,185,687

13,518,007
347,298

12,352,617

13,707,372

10,023,791

49,949,085

\$ 123,134,772

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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, 2010

Total governmental fund balances **\$ 49,949,085**

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	\$ 640,251,230	
Less accumulated depreciation	<u>(240,780,921)</u>	399,470,309

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

Property taxes	22,137,426	
Intergovernmental	<u>1,045,780</u>	23,183,206

The Internal Service Funds are used by management to charge the cost of insurance and print shop to the individual funds. The assets and liabilities of the Internal Service Funds are included in the Statement of Net Assets.

12,542,208

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

Compensated absences payable	(10,368,387)	
Obligations under capital leases	(8,244,259)	
Bonds payable	<u>(239,630,000)</u>	<u>(258,242,646)</u>

Net assets of governmental activities **\$ 226,902,162**

The notes to the 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, 2010

	General	Debt Service	Non-Major Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
Revenues:			
Other local	\$ 506,129	\$ 300,043	\$ 19,918,916
Property taxes	127,249,235	69,069,315	15,973,538
State aid and grants	20,589,694		7,836,539
Federal aid, grants and reimbursements	4,059,463		19,515,384
Total revenues	<u>152,404,521</u>	<u>69,369,358</u>	<u>63,244,377</u>
Expenditures:			
Current -			
Instruction	99,928,115		22,822,245
Support services - students and staff	15,803,302		6,991,936
Support services - administration	15,723,304		1,303,886
Operation and maintenance of plant services	21,913,959		1,331,921
Student transportation services	7,898,615		1,249,007
Operation of non-instructional services	339,853		14,126,755
Capital outlay			25,897,304
Debt service -			
Interest and fiscal charges		15,473,005	72,632
Principal retirement		49,185,000	2,691,240
Total expenditures	<u>161,607,148</u>	<u>64,658,005</u>	<u>76,486,926</u>
Excess (deficiency) of revenues over expenditures	<u>(9,202,627)</u>	<u>4,711,353</u>	<u>(13,242,549)</u>
Other financing sources (uses):			
Transfer in	6,000,000	802	409,139
Transfer out	(54,410)		(6,355,531)
Capital lease agreements			9,151,403
Total other financing sources (uses)	<u>5,945,590</u>	<u>802</u>	<u>3,205,011</u>
Changes in fund balances	<u>(3,257,037)</u>	<u>4,712,155</u>	<u>(10,037,538)</u>
Fund balances, beginning of year	9,685,197	3,732,794	35,088,096
Increase (decrease) in reserve for inventory	132,423		(34,012)
Increase (decrease) in reserve for prepaid items	11,018,007		(1,091,000)
Fund balances, end of year	<u>\$ 17,578,590</u>	<u>\$ 8,444,949</u>	<u>\$ 23,925,546</u>

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

Total
Governmental
Funds

\$ 20,725,088
212,292,088
28,426,233
23,574,847

285,018,256

122,750,360
22,795,238
17,027,190
23,245,880
9,147,622
14,466,608
25,897,304

15,545,637
51,876,240

302,752,079

(17,733,823)

6,409,941
(6,409,941)
9,151,403

9,151,403

(8,582,420)

48,506,087

98,411
9,927,007

\$ 49,949,085

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, 2010

Net changes in fund balances - total governmental funds **\$ 1,442,998**

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	\$ 8,322,513	
Less current year depreciation	<u>(23,333,365)</u>	(15,010,852)

Issuance of capital leases provides current financial resources to governmental funds, but the issuance increases long term liabilities in the Statement of Net Assets.		(9,151,403)
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Some revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	9,063,807	
Intergovernmental	<u>190,249</u>	9,254,056

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	2,691,240	
Bond principal retirement	<u>49,185,000</u>	51,876,240

Compensated absences 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.		243,947
--	--	---------

The Internal Service Funds are used by management to charge the cost of insurance and print shop to the individual funds. The changes in net assets of the Internal Service Funds are reported with governmental activities in the Statement of Activities.		<u>788,253</u>
---	--	----------------

Change in net assets in governmental activities **\$ 39,443,239**

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2010

	Governmental Activities: Internal Service Funds
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 12,752,178
Total assets	12,752,178
 <u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	94,276
Claims payable	115,694
Total liabilities	209,970
 <u>NET ASSETS</u>	
Unrestricted	12,542,208
Total net assets	\$ 12,542,208

The notes to the 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, 2010

	Governmental Activities: Internal Service Funds
Operating revenues:	
Contributions	\$ 3,324,122
Other	56,975
Total operating revenues	3,381,097
 Operating expenses:	
Other	98,629
Claims	348,009
Adjustment to prior year claim reserves	64,611
Premiums	2,461,097
Administrative fees	50,843
Total operating expenses	3,023,189
 Operating income	357,908
 Nonoperating revenues (expenses):	
Investment income	430,345
Total nonoperating revenues (expenses)	430,345
 Changes in net assets	788,253
 Total net assets, beginning of year	11,753,955
 Total net assets, end of year	\$ 12,542,208

The notes to the 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, 2010

	Governmental Activities: Internal Service Funds
<u>Increase in Cash and Cash Equivalents</u>	
Cash flows from operating activities:	
Cash received from contributions	\$ 3,509,122
Cash received from charges for services	56,975
Cash payments to suppliers for goods and services	(2,589,866)
Cash payments for claims	<u>(348,009)</u>
Net cash provided by operating activities	<u>628,222</u>
Cash flows from investing activities:	
Proceeds from sale of investments	5,487,621
Purchase of investments	(6,019,398)
Investment income	<u>430,345</u>
Net cash used for investing activities	<u>(101,432)</u>
Net increase in cash and cash equivalents	<u>526,790</u>
Cash and cash equivalents, beginning of year	<u>1,703,817</u>
Cash and cash equivalents, end of year	<u>\$ 2,230,607</u>
 <u>Reconciliation of Cash and Cash Equivalents to the Statement of Net Assets</u>	
Cash and investments	\$ 12,752,178
Less investments not maturing in less than three months	<u>10,521,571</u>
Total cash and cash equivalents	<u>\$ 2,230,607</u>
 <u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</u>	
Operating income	\$ 357,908
Adjustments to reconcile operating income to net cash provided by operating activities:	
Changes in assets and liabilities:	
Decrease in accounts receivable	185,000
Decrease in prepaid items	10,000
Increase in accounts payable	10,703
Increase in claims payable	<u>64,611</u>
Total adjustments	<u>270,314</u>
Net cash provided by operating activities	<u>\$ 628,222</u>

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2010

	<u>Agency</u>
<u>ASSETS</u>	
Cash and investments	\$ 2,931,507
Total assets	<u>\$ 2,931,507</u>
<u>LIABILITIES</u>	
Deposits held for others	1,656,578
Due to student groups	<u>1,274,929</u>
Total liabilities	<u>\$ 2,931,507</u>

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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, component units 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.

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 for property and casualty 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.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net 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.

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.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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

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

Property taxes, State 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.

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

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. It is described as the Maintenance and Operation Fund by A.R.S.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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

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

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) the financing of the Unemployment Insurance Fund, which represents the District’s financial activity for unemployment insurance claims.

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 health and welfare benefits and charges to District departments for goods and services. Operating expenses for internal service funds include the cost of goods and services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The agency funds are custodial in nature and do not have a measurement focus and are reported 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.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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

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

E. Investment Income

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

F. Receivables and 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.

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

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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

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

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

G. 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.

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.

H. 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. Prepaid items are recorded as expenditures when purchased in the fund financial statements and are offset by a reserve of fund balance.

I. 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.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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

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

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

J. 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.

K. 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.

L. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for expenditures or are legally restricted by outside parties for use for a specific purpose.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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

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.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Individual Deficit Fund Balances – At year end, the following individual non-major governmental funds reported deficits in fund balance.

	<u>Deficit</u>
Non-Major Governmental Funds:	
Classroom Site Fund	\$ 1,507,240
Other Federal Projects	34,779

The deficits arose because of operations during the year. Additional revenues received in fiscal year 2010-11 are expected to eliminate the deficit in the Other Federal Projects Fund. To eliminate the Classroom Site Fund deficit, the District plans to decrease budgeted expenditures by reducing the dollar per ADM budget from \$220 to \$120. This difference is expected to provide \$3.1 million to the District.

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 3 - CASH AND INVESTMENTS

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

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure the District's deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District's deposits was \$4,001,137 and the bank balance was \$4,026,388. At year end, \$250,000 of the District's deposits was covered by Federal depository insurance and \$3,776,388 were guaranteed under the transaction account guarantee component of the Temporary Liquidity Guarantee Program. In addition, the District had \$307 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.

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	\$ 4,474,944	\$ 870,032	\$ 3,315,479	\$ 289,433
Government Bonds	901,131		751,179	149,952
Government Assets				
Backed/CMO Securities	130,870		113,850	17,020
Taxable Municipal Bonds	804,345		804,345	
Certificates of Deposit	4,210,281	3,270,345	939,936	
		<u>\$ 4,140,377</u>	<u>\$ 5,924,789</u>	<u>\$ 456,405</u>
County Treasurer's investment pool	67,768,568	606 days average maturities		
Total	<u>\$ 78,290,139</u>			

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 3 - CASH AND INVESTMENTS (Concl'd)

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 AAA by Moody's Investors Service and from BBB+ to AAA by Standard and Poor's. The District's investments in Government Bonds were rated AAA by Moody's Investors Service and AAA by Standard & Poor's. The District's investments in Taxable Municipal Bonds were rated from A1 to AA3 by Moody's Investors Service and from A to AA- 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.

NOTE 4 - 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.

	General Fund	Non-Major Governmental Funds
Due from governmental entities:		
Due from Federal government	\$	\$ 2,415,487
Due from State government	7,405,197	2,160,929
Net due from governmental entities	\$ 7,405,197	\$ 4,576,416

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.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 4 – RECEIVABLES (Concl'd)

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes receivable (General Fund)	\$ 19,276,998	\$
Delinquent property taxes receivable (Debt Service Fund)	1,696,849	
Delinquent property taxes receivable (Non-Major Governmental funds)	1,163,579	
Grant drawdowns prior to meeting all eligibility requirements (Non-Major Governmental Funds)		281,614
Unearned charges for services (Non-Major Governmental Funds)		173,526
Measurable but unavailable revenues (General Fund)	938,612	
Measurable but unavailable revenues (Non-Major Governmental Funds)	107,168	
Total deferred revenue for governmental funds	<u>\$ 23,183,206</u>	<u>\$ 455,140</u>

NOTE 5 - 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
Total capital assets, not being depreciated	<u>26,951,811</u>			<u>26,951,811</u>
Capital assets, being depreciated:				
Land improvements	26,835,224	919,483		27,754,707
Buildings and improvements	548,583,596	6,825,706		555,409,302
Vehicles, furniture and equipment	29,763,223	577,324	205,137	30,135,410
Total capital assets being depreciated	<u>605,182,043</u>	<u>8,322,513</u>	<u>205,137</u>	<u>613,299,419</u>
Less accumulated depreciation for:				
Land improvements	(15,442,140)	(951,518)		(16,393,658)
Buildings and improvements	(187,063,118)	(18,861,643)		(205,924,761)
Vehicles, furniture and equipment	(15,147,435)	(3,520,204)	(205,137)	(18,462,502)
Total accumulated depreciation	<u>(217,652,693)</u>	<u>(23,333,365)</u>	<u>(205,137)</u>	<u>(240,780,921)</u>
Total capital assets, being depreciated, net	<u>387,529,350</u>	<u>(15,010,852)</u>		<u>372,518,498</u>
Governmental activities capital assets, net	<u>\$ 414,481,161</u>	<u>\$ (15,010,852)</u>	<u>\$</u>	<u>\$ 399,470,309</u>

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 5 - CAPITAL ASSETS (Concl'd)

Depreciation expense was charged to governmental functions as follows.

Instruction	\$ 20,266,119
Support services – students and staff	2,871
Support services – administration	146,425
Operation and maintenance of plant services	290,735
Student transportation services	2,537,301
Operation of non-instructional services	89,914
Total depreciation expense – governmental activities	<u>\$ 23,333,365</u>

NOTE 6 - OBLIGATIONS UNDER CAPITAL LEASES

The District has acquired copiers, food service equipment, information technology equipment and 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, Food Service Fund, Unrestricted Capital Outlay Fund, Soft Capital Allocation Fund, and Energy and Water Savings Fund, all non-major governmental funds, are used to pay the capital lease obligations.

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

	<u>Governmental Activities</u>
Asset:	
Building improvements	\$ 2,845,537
Vehicles, furniture and equipment	2,644,509
Less: Accumulated depreciation	740,641
Total	<u>\$ 4,749,405</u>

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 6 - OBLIGATIONS UNDER CAPITAL LEASES (Concl'd)

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

Year Ending June 30:	Governmental Activities
2011	\$ 2,248,679
2012	2,223,216
2013	2,226,163
2014	369,987
2015	373,113
2016-20	1,311,240
2121-25	1,279,312
Total minimum lease payments	10,031,710
Less: amount representing interest	1,787,451
Present value of minimum lease payments	\$ 8,244,259
Due within one year	\$ 1,857,720

NOTE 7 – GENERAL OBLIGATION BONDS PAYABLE

Bonds payable at year end, consisted of the following outstanding general obligation bonds. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt.

Purpose	Original Amount Issued	Interest Rates	Maturity	Outstanding Principal June 30, 2010	Due Within One Year
Governmental activities:					
School Improvement Bonds, Series 1993	\$ 35,000,000	7.4%	7/1/10	\$ 7,000,000	\$ 7,000,000
School Improvement Bonds, Series 1995	16,500,000	6.6%	7/1/12	4,900,000	
School Improvement Bonds, Project 1997, Series B (1998)	9,900,000	4.75%	7/1/10	525,000	525,000
Refunding Bonds, Series 2002	37,115,000	4.25-4.375%	7/1/10	4,105,000	4,105,000
Refunding Bonds, Series 2003A	75,935,000	3.25-5.0%	7/1/10-15	71,395,000	6,915,000

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 7 – GENERAL OBLIGATION BONDS PAYABLE (Concl'd)

Purpose	Original Amount Issued	Interest Rates	Maturity	Outstanding Principal June 30, 2010	Due Within One Year
Governmental activities:					
Refunding Bonds, Series 2003B	57,740,000	4.0-4.75%	7/1/10-13	17,425,000	6,570,000
Refunding Bonds, Series 2004	32,190,000	2.5-5.0%	7/1/10-12	14,190,000	2,720,000
School Improvement Bonds, Project 2004, Series A (2005)	100,000,000	3.25-5.0%	7/1/10-24	49,750,000	3,250,000
School Improvement Bonds, Project 2004, Series B (2006)	117,000,000	4.0-4.75%	7/1/16-19	30,300,000	
Refunding Bonds, Series 2007	100,600,000	4.0-5.0%	7/1/10-23	71,995,000	870,000
Total				<u>\$ 271,585,000</u>	<u>\$ 31,955,000</u>

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

Year ending June 30:	Governmental Activities	
	Principal	Interest
2011	\$ 31,955,000	\$ 11,695,073
2012	25,080,000	10,271,807
2013	26,455,000	9,058,200
2014	25,485,000	7,815,700
2015	21,885,000	6,732,844
2016-20	80,475,000	22,740,038
2021-25	60,250,000	5,975,656
Total	<u>\$ 271,585,000</u>	<u>\$ 74,289,318</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, \$100,600,000 of defeased bonds are still outstanding.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 8 - CHANGES IN LONG-TERM LIABILITIES

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable	\$ 321,805,000	\$	\$ 50,220,000	\$ 271,585,000	\$ 31,955,000
Obligations under capital leases	1,784,096	9,151,403	2,691,240	8,244,259	1,857,720
Compensated absences payable	10,612,334	4,920,673	5,164,620	10,368,387	507,500
Governmental activity long-term liabilities	<u>\$ 334,201,430</u>	<u>\$ 14,072,076</u>	<u>\$ 58,075,860</u>	<u>\$ 290,197,646</u>	<u>\$ 34,320,220</u>

NOTE 9 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At year end, interfund balances were as follows.

Due to/from other funds:

Due to	Due from Non-Major Governmental Funds
General Fund	\$ 724,330
Non-Major Governmental Funds	4,841,292
Total	<u>\$ 5,565,622</u>

At year end several funds had negative cash balances in the Treasurer's pooled cash accounts. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with the Adjacent Ways Fund, a non-major governmental fund. All interfund balances are expected to be paid within one year.

Interfund transfers:

Transfers out	Transfers in			Total
	General Fund	Debt Service Fund	Non-Major Governmental Funds	
General Fund	\$	\$	\$ 54,410	\$ 54,410
Non-Major Governmental Funds	6,000,000	802	354,729	6,355,531
Total	<u>\$ 6,000,000</u>	<u>\$ 802</u>	<u>\$ 409,139</u>	<u>\$ 6,409,941</u>

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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

Transfers between funds were used to (1) move investment income earned in the Bond Building Fund, a non-major governmental fund, that is required by statute to be expended in the Debt Service Fund, (2) to move Federal grant funds restricted for indirect costs to the Indirect Costs Fund, a non-major governmental fund, (3) to deposit monies from companies providing utility, energy and water services, and (4) to move excess cash from the Adjacent Ways and Soft Capital Allocation Funds, both non-major governmental funds, to the General Fund to reduce District taxes.

NOTE 10 - CONTINGENT LIABILITIES

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

Lawsuits - The District is a 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 11 - RISK MANAGEMENT

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

The District was unable to obtain general property and liability insurance at a cost it considered to be economically justifiable. Therefore, the District 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.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 11 - RISK MANAGEMENT (Concl'd)

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.

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. The District joined ASRRT for claims in excess of this coverage. 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>
2009-10	\$ 51,083	\$ 412,620	\$ 348,009	\$ 115,694
2008-09	315,394	41,256	305,567	51,083

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 12 - RETIREMENT PLAN

Plan Description – The District contributes to a cost-sharing, multiple-employer defined benefit pension plan; a cost-sharing multiple employer defined benefit health care plan; and a cost-sharing, multiple-employer defined benefit long-term disability plan, all of which are administered by the Arizona State Retirement System (ASRS). The ASRS (through its Retirement Fund) provides retirement (i.e., pension), death, and survivor benefits; the Health Benefit Supplement Fund provides health insurance premium benefits (i.e., a monthly subsidy); and the Long-Term Disability Fund provides long-term disability benefits. Benefits are established by state statute. The System is governed by the Arizona State Retirement System Board according to the provisions of A.R.S. Title 38, Chapter 5, Article 2.

The System issues a comprehensive annual financial report that includes financial statements and required supplementary information. The most recent report may be obtained by writing the System, 3300 North Central Avenue, P.O. Box 33910, Phoenix, Arizona 85067-3910 or by calling (602) 240-2000 or (800) 621-3778.

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 9.40 percent (9.00 percent for retirement and 0.4 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 9.40 percent (8.34 percent for retirement, 0.66 percent for health insurance premium, and 0.4 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:			
2010	\$ 10,671,703	\$ 844,523	\$ 511,832
2009	10,597,087	1,273,242	663,147
2008	10,513,893	1,371,377	653,037

NOTE 13 - SUBSEQUENT EVENT

In the November 2010 bond election, voters approved the issuance of \$118 million of school improvement bonds and in December 2010, \$59 million of these bonds were issued. A portion of these bonds are 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. The purpose of these bonds is for ongoing capital projects such as construction and renovating school buildings as well as implementing mechanical and electrical upgrades.

**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 FUND
YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other local	\$ 1,200,000	\$ 1,200,000	\$ 506,129	\$ (693,871)
Property taxes	136,460,884	114,565,206	127,249,235	12,684,029
State aid and grants		21,895,678	20,589,694	(1,305,984)
Federal aid, grants and reimbursements	4,100,000	4,100,000	4,059,463	(40,537)
Total revenues	141,760,884	141,760,884	152,404,521	10,643,637
Expenditures:				
Regular education				
Instruction	69,348,048	67,936,890	72,200,400	(4,263,510)
Support services - students and staff	11,922,482	11,664,151	7,805,119	3,859,032
Support services - administration	17,152,475	18,592,326	15,707,868	2,884,458
Operation and maintenance of plant services	17,729,067	20,635,845	21,281,007	(645,162)
Operation of non-instructional services	337,468	340,024	339,853	171
Total regular education	116,489,540	119,169,236	117,334,247	1,834,989
Special education				
Instruction	17,617,950	16,933,691	17,870,388	(936,697)
Support services - students and staff	7,735,611	8,214,473	6,604,289	1,610,184
Support services - administration	1,500	2,431	2,493	(62)
Operation and maintenance of plant services		111	7,614	(7,503)
Total special education	25,355,061	25,150,706	24,484,784	665,922
Pupil transportation				
Student transportation services	8,556,487	8,003,802	7,858,940	144,862
Total pupil transportation	8,556,487	8,003,802	7,858,940	144,862
Desegregation				
Instruction	5,187,361	5,390,473	5,445,738	(55,265)
Support services - students and staff	2,162,491	1,816,070	1,276,504	539,566
Support services - administration		4,881	9,283	(4,402)
Operation and maintenance of plant services	2,317	7,744	478,000	(470,256)
Student transportation services	30,000	30,000	39,675	(9,675)
Total desegregation	7,382,169	7,249,168	7,249,200	(32)
Special K-3 program override				
Instruction	3,355,151	3,288,376	3,338,700	(50,324)
Operation and maintenance of plant services	125,676	197,661	147,338	50,323
Total special K-3 program override	3,480,827	3,486,037	3,486,038	(1)
Dropout prevention programs				
Instruction	221,130	221,130	100,079	121,051
Support services - students and staff			117,390	(117,390)
Support services - administration			3,660	(3,660)
Total dropout prevention programs	221,130	221,130	221,129	1
Total expenditures	161,485,214	163,280,079	160,634,338	2,645,741
Excess (deficiency) of revenues over expenditures	(19,724,330)	(21,519,195)	(8,229,817)	13,289,378
Other financing sources (uses):				
Transfer in			6,000,000	6,000,000
Transfer out			(54,410)	(54,410)
Total other financing sources (uses)			5,945,590	5,945,590
Change in fund balances	(19,724,330)	(21,519,195)	(2,284,227)	19,234,968
Fund balances, July 1, 2009	4,924,793	4,924,793	8,712,387	3,787,594
Increase in reserve for inventory			132,423	132,423
Increase in reserve for prepaid items			11,018,007	11,018,007
Fund balances (deficits), June 30, 2010	\$ (14,799,537)	\$ (16,594,402)	\$ 17,578,590	\$ 34,172,992

See accompanying notes to this schedule.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2010

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 fiscal year 2009-10 insurance payments were budgeted for in fiscal year 2008-09 and 2) a portion of fiscal year 2009-10 utility payments were charged against fiscal year 2008-09 budget. Consequently, the following adjustments were necessary to present actual expenditures and fund balance at July 1, 2009 on a budgetary basis in order to provide a meaningful comparison.

	<u>Total Expenditures</u>	<u>Fund Balance, July 1, 2009</u>
Statement of Revenues, Expenditures and Changes in Fund Balances -		
Governmental Funds	\$ 161,607,148	\$ 9,685,197
Fiscal year 2009-10 insurance payments charged against fiscal year 2008-09 budget	(210,000)	(210,000)
Fiscal year 2009-10 utility payments charged against fiscal year in 2008-09 budget	<u>(762,810)</u>	<u>(762,810)</u>
Schedule of Revenue, Expenditures and Changes in Fund Balances – Budget and Actual - General Fund	<u>\$ 160,634,338</u>	<u>\$ 8,712,387</u>

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

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**OTHER MAJOR GOVERNMENTAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - DEBT SERVICE
YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Original & Final	Actual	
Revenues:			
Other local	\$ 550,000	\$ 300,043	\$ (249,957)
Property taxes		69,069,315	69,069,315
Total revenues	550,000	69,369,358	68,819,358
Expenditures:			
Debt service -			
Interest and fiscal charges	10,839,282	15,473,005	(4,633,723)
Principal retirement	34,455,499	49,185,000	(14,729,501)
Total expenditures	45,294,781	64,658,005	(19,363,224)
Excess (deficiency) of revenues over expenditures	(44,744,781)	4,711,353	49,456,134
Other financing sources (uses):			
Transfer in		802	802
Total other financing sources (uses)		802	802
Change in fund balances	(44,744,781)	4,712,155	49,456,936
Fund balances, July 1, 2009	43,617,456	3,732,794	(39,884,662)
Fund balances (deficits), June 30, 2010	\$ (1,127,325)	\$ 8,444,949	\$ 9,572,274

NON-MAJOR GOVERNMENTAL FUNDS

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2010

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<u>ASSETS</u>			
Cash and investments	\$ 15,086,823	\$ 5,570,524	\$ 20,657,347
Property taxes receivable		1,328,916	1,328,916
Accounts receivable	539,871		539,871
Deposits	200,000		200,000
Due from governmental entities	4,269,959	306,457	4,576,416
Due from other funds		5,565,622	5,565,622
Inventory, at cost	194,383		194,383
Total assets	<u>\$ 20,291,036</u>	<u>\$ 12,771,519</u>	<u>\$ 33,062,555</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 587,785	\$ 1,563,081	\$ 2,150,866
Due to other funds	4,841,292		4,841,292
Accrued payroll and employee benefits	418,964		418,964
Deferred revenues	541,240	1,184,647	1,725,887
Total liabilities	<u>6,389,281</u>	<u>2,747,728</u>	<u>9,137,009</u>
Fund balances:			
Reserved for inventory	194,383		194,383
Unreserved:			
Undesignated	13,707,372	10,023,791	23,731,163
Total fund balances	<u>13,901,755</u>	<u>10,023,791</u>	<u>23,925,546</u>
Total liabilities and fund balances	<u>\$ 20,291,036</u>	<u>\$ 12,771,519</u>	<u>\$ 33,062,555</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, 2010

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:			
Other local	\$ 19,405,064	\$ 513,852	\$ 19,918,916
Property taxes		15,973,538	15,973,538
State aid and grants	7,215,480	621,059	7,836,539
Federal aid, grants and reimbursements	19,515,384		19,515,384
Total revenues	<u>46,135,928</u>	<u>17,108,449</u>	<u>63,244,377</u>
Expenditures:			
Current -			
Instruction	22,822,245		22,822,245
Support services - students and staff	6,991,936		6,991,936
Support services - administration	1,303,886		1,303,886
Operation and maintenance of plant services	1,331,921		1,331,921
Student transportation services	1,249,007		1,249,007
Operation of non-instructional services	14,126,755		14,126,755
Capital outlay	4,550,484	21,346,820	25,897,304
Debt service -			
Interest and fiscal charges	46,187	26,445	72,632
Principal retirement	993,065	1,698,175	2,691,240
Total expenditures	<u>53,415,486</u>	<u>23,071,440</u>	<u>76,486,926</u>
Excess (deficiency) of revenues over expenditures	<u>(7,279,558)</u>	<u>(5,962,991)</u>	<u>(13,242,549)</u>
Other financing sources (uses):			
Transfer in	354,729	54,410	409,139
Transfer out	(354,729)	(6,000,802)	(6,355,531)
Capital lease agreements		9,151,403	9,151,403
Total other financing sources (uses)	<u></u>	<u>3,205,011</u>	<u>3,205,011</u>
Change in fund balances	<u>(7,279,558)</u>	<u>(2,757,980)</u>	<u>(10,037,538)</u>
Fund balances, beginning of year	22,306,325	12,781,771	35,088,096
(Decrease) in reserve for inventory	(34,012)		(34,012)
(Decrease) in reserve for prepaid items	(1,091,000)		(1,091,000)
Fund balances, end of year	<u>\$ 13,901,755</u>	<u>\$ 10,023,791</u>	<u>\$ 23,925,546</u>

NON-MAJOR SPECIAL REVENUE FUNDS

The following non-major Special Revenue Funds are maintained by the District. Arizona Revised Statutes (A.R.S.) and the Uniform System of Financial Records (USFR) require the establishment of these funds for the specified financial activities.

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

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

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

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

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

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

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

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

Limited English and 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.

Homeless Education - to account for financial assistance received for the education of homeless students.

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

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.

Early Childhood Block Grant - to account for financial assistance received for preschool education.

Chemical Abuse Prevention Programs - to account for financial assistance received for chemical abuse awareness programs.

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

At-Risk Dropout Prevention - to account for financial assistance from the State to provide dropout prevention programs for at-risk students.

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.

**NON-MAJOR SPECIAL REVENUE FUNDS
(Concluded)**

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.

School Bus Advertisement - to account for monies received from the sale of advertising space on school buses.

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

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

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SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2010

	Classroom Site	Instructional Improvement	Structured English Immersion	Title I Grants
<u>ASSETS</u>				
Cash and investments	\$	\$ 362,338	\$ 22,746	\$
Accounts receivable				
Deposits				
Due from governmental entities	1,592,901	261,571		671,054
Inventory, at cost				
Total assets	\$ 1,592,901	\$ 623,909	\$ 22,746	\$ 671,054
 <u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$	\$ 279	\$ 22,746	\$ 32,581
Due to other funds	3,100,141			509,702
Accrued payroll and employee benefits				128,771
Deferred revenues				
Total liabilities	3,100,141	279	22,746	671,054
Fund balances (deficits):				
Reserved for inventory				
Unreserved:				
Undesignated	(1,507,240)	623,630		
Total fund balances	(1,507,240)	623,630		
Total liabilities and fund balances	\$ 1,592,901	\$ 623,909	\$ 22,746	\$ 671,054

Professional Development and Technology Grants	Title IV Grants	Limited English and Immigrant Students	Indian Education	Special Education Grants	Johnson O'Malley
\$	\$	\$ 53,340	\$	\$	\$
220,872	115,833		49,140	638,559	1,226
<u>\$ 220,872</u>	<u>\$ 115,833</u>	<u>\$ 53,340</u>	<u>\$ 49,140</u>	<u>\$ 638,559</u>	<u>\$ 1,226</u>
\$ 8,986	\$ 14,644	\$	\$	\$ 78,520	\$
211,886	65,421		49,140	560,039	1,226
	35,768				
		53,340			
<u>220,872</u>	<u>115,833</u>	<u>53,340</u>	<u>49,140</u>	<u>638,559</u>	<u>1,226</u>
<u>\$ 220,872</u>	<u>\$ 115,833</u>	<u>\$ 53,340</u>	<u>\$ 49,140</u>	<u>\$ 638,559</u>	<u>\$ 1,226</u>

(Continued)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2010
(Continued)

	Vocational Education	Homeless Education	Medicaid Reimbursement	Other Federal Projects
<u>ASSETS</u>				
Cash and investments	\$	\$ 4,235	\$ 230,445	\$
Accounts receivable				
Deposits				
Due from governmental entities	16,052		70,298	505,042
Inventory, at cost				
Total assets	\$ 16,052	\$ 4,235	\$ 300,743	\$ 505,042
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$	\$ 358	\$ 77,171	\$ 115,918
Due to other funds	16,052			327,685
Accrued payroll and employee benefits				10,118
Deferred revenues		3,877		86,100
Total liabilities	16,052	4,235	77,171	539,821
Fund balances (deficits):				
Reserved for inventory				
Unreserved:				
Undesignated			223,572	(34,779)
Total fund balances			223,572	(34,779)
Total liabilities and fund balances	\$ 16,052	\$ 4,235	\$ 300,743	\$ 505,042

<u>State Vocational Education</u>	<u>Early Childhood Block Grant</u>	<u>Chemical Abuse Prevention Programs</u>	<u>Academic Contests</u>	<u>Gifted</u>	<u>Other State Projects</u>
\$ 129,686	\$ 74,475	\$ 11,568	\$ 12,553	\$ 5,445	\$ 13,870
<u>\$ 129,686</u>	<u>\$ 74,475</u>	<u>\$ 11,568</u>	<u>\$ 12,553</u>	<u>\$ 5,445</u>	<u>\$ 13,870</u>
\$ 137	\$	\$ 10,823	\$	\$	\$ 12,240
<u>129,549</u>	<u>74,475</u>	<u>745</u>	<u>12,553</u>	<u>5,445</u>	<u>1,630</u>
<u>129,686</u>	<u>74,475</u>	<u>11,568</u>	<u>12,553</u>	<u>5,445</u>	<u>13,870</u>
<u>\$ 129,686</u>	<u>\$ 74,475</u>	<u>\$ 11,568</u>	<u>\$ 12,553</u>	<u>\$ 5,445</u>	<u>\$ 13,870</u>

(Continued)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2010
(Continued)

	School Plant	Food Service	Civic Center	Community School
<u>ASSETS</u>				
Cash and investments	\$ 2,297,879	\$ 1,840,564	\$ 776,271	\$ 612,081
Accounts receivable		55,868		484,003
Deposits		200,000		
Due from governmental entities		127,411		
Inventory, at cost		194,383		
Total assets	\$ 2,297,879	\$ 2,418,226	\$ 776,271	\$ 1,096,084
 <u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 33,106	\$ 62,085	\$	\$ 45,840
Due to other funds				
Accrued payroll and employee benefits		25,098		185,916
Deferred revenues		173,526		
Total liabilities	33,106	260,709		231,756
Fund balances (deficits):				
Reserved for inventory		194,383		
Unreserved:				
Undesignated	2,264,773	1,963,134	776,271	864,328
Total fund balances	2,264,773	2,157,517	776,271	864,328
Total liabilities and fund balances	\$ 2,297,879	\$ 2,418,226	\$ 776,271	\$ 1,096,084

<u>Auxiliary Operations</u>	<u>Extracurricular Activities Fees Tax Credit</u>	<u>Gifts and Donations</u>	<u>Fingerprint</u>	<u>Insurance Proceeds</u>	<u>Textbooks</u>
\$ 1,931,469	\$ 1,916,221	\$ 1,428,872	\$ 6,280	\$ 34,150	\$ 378,946
<u>\$ 1,931,469</u>	<u>\$ 1,916,221</u>	<u>\$ 1,428,872</u>	<u>\$ 6,280</u>	<u>\$ 34,150</u>	<u>\$ 378,946</u>
\$ 27,807	\$ 13,079	\$ 18,936	\$ 268	\$	\$
	11,837				
<u>27,807</u>	<u>24,916</u>	<u>18,936</u>	<u>268</u>		
<u>1,903,662</u>	<u>1,891,305</u>	<u>1,409,936</u>	<u>6,012</u>	<u>34,150</u>	<u>378,946</u>
<u>1,903,662</u>	<u>1,891,305</u>	<u>1,409,936</u>	<u>6,012</u>	<u>34,150</u>	<u>378,946</u>
<u>\$ 1,931,469</u>	<u>\$ 1,916,221</u>	<u>\$ 1,428,872</u>	<u>\$ 6,280</u>	<u>\$ 34,150</u>	<u>\$ 378,946</u>

(Continued)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2010
(Concluded)

	<u>Litigation Recovery</u>	<u>Indirect Costs</u>	<u>Insurance Refund</u>	<u>School Bus Advertisement</u>
<u>ASSETS</u>				
Cash and investments	\$ 92,493	\$ 507,080	\$ 11,657	\$ 138,018
Accounts receivable				
Deposits				
Due from governmental entities				
Inventory, at cost				
Total assets	<u>\$ 92,493</u>	<u>\$ 507,080</u>	<u>\$ 11,657</u>	<u>\$ 138,018</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$	\$	\$	\$
Due to other funds				
Accrued payroll and employee benefits				
Deferred revenues				
Total liabilities	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund balances (deficits):				
Reserved for inventory				
Unreserved:				
Undesignated	<u>92,493</u>	<u>507,080</u>	<u>11,657</u>	<u>138,018</u>
Total fund balances	<u>92,493</u>	<u>507,080</u>	<u>11,657</u>	<u>138,018</u>
Total liabilities and fund balances	<u>\$ 92,493</u>	<u>\$ 507,080</u>	<u>\$ 11,657</u>	<u>\$ 138,018</u>

Joint Technological Education	Intergovernmental Agreements	Totals
\$ 1,704,734	\$ 489,407	\$ 15,086,823
		539,871
		200,000
		4,269,959
		194,383
<u>\$ 1,704,734</u>	<u>\$ 489,407</u>	<u>\$ 20,291,036</u>
\$ 11,228	\$ 1,033	\$ 587,785
		4,841,292
21,456		418,964
		541,240
<u>32,684</u>	<u>1,033</u>	<u>6,389,281</u>
		194,383
<u>1,672,050</u>	<u>488,374</u>	<u>13,707,372</u>
<u>1,672,050</u>	<u>488,374</u>	<u>13,901,755</u>
<u>\$ 1,704,734</u>	<u>\$ 489,407</u>	<u>\$ 20,291,036</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, 2010

	Classroom Site	Instructional Improvement	Compensatory Instruction
Revenues:			
Other local	\$	\$ 10,082	\$
State aid and grants	5,861,702	936,878	64,946
Federal aid, grants and reimbursements			
Total revenues	5,861,702	946,960	64,946
Expenditures:			
Current -			
Instruction	7,701,721	848,533	64,946
Support services - students and staff	807,266	635,553	
Support services - administration		10,940	
Operation and maintenance of plant services		35,615	
Student transportation services		3,100	
Operation of non-instructional services			
Capital outlay			
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	8,508,987	1,533,741	64,946
Excess (deficiency) of revenues over expenditures	(2,647,285)	(586,781)	
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	(2,647,285)	(586,781)	
Fund balances, beginning of year	1,140,045	1,210,411	
(Decrease) in reserve for inventory			
(Decrease) in reserve for prepaid items			
Fund balances (deficits), end of year	\$ (1,507,240)	\$ 623,630	\$

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Promote Informed Parent Choice</u>	<u>Limited English and Immigrant Students</u>	<u>Indian Education</u>
\$	\$	\$	\$	\$	\$
3,713,166	829,372	395,830	807	262,398	97,634
<u>3,713,166</u>	<u>829,372</u>	<u>395,830</u>	<u>807</u>	<u>262,398</u>	<u>97,634</u>
2,132,478	1,198	234,126		183,020	90,275
1,031,127	795,475	92,448	747	31,756	2,065
201,264	14,207	34,494			1,289
25,267					2,680
70,360		28,550		46,050	1,325
206,132	13,728	2,929			
<u>3,666,628</u>	<u>824,608</u>	<u>392,547</u>	<u>747</u>	<u>260,826</u>	<u>97,634</u>
<u>46,538</u>	<u>4,764</u>	<u>3,283</u>	<u>60</u>	<u>1,572</u>	
<u>(46,538)</u>	<u>(4,764)</u>	<u>(3,283)</u>	<u>(60)</u>	<u>(1,572)</u>	
<u>(46,538)</u>	<u>(4,764)</u>	<u>(3,283)</u>	<u>(60)</u>	<u>(1,572)</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, 2010
(Continued)

	Special Education Grants	Johnson O'Malley	Vocational Education
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	4,318,543	9,275	376,289
Total revenues	4,318,543	9,275	376,289
Expenditures:			
Current -			
Instruction	2,963,841	8,474	113,902
Support services - students and staff	1,170,205		8,474
Support services - administration	85,350		2,141
Operation and maintenance of plant services	868		
Student transportation services		200	3,065
Operation of non-instructional services			
Capital outlay	78,520		246,833
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	4,298,784	8,674	374,415
Excess (deficiency) of revenues over expenditures	19,759	601	1,874
Other financing sources (uses):			
Transfer in			
Transfer out	(19,759)	(601)	(1,874)
Total other financing sources (uses)	(19,759)	(601)	(1,874)
Change in fund balances			
Fund balances, beginning of year			
(Decrease) in reserve for inventory			
(Decrease) in reserve for prepaid items			
Fund balances (deficits), end of year	\$	\$	\$

Homeless Education	Medicaid Reimbursement	Other Federal Projects	State Vocational Education	Early Childhood Block Grant	Chemical Abuse Prevention Programs
\$	\$	\$	\$	\$	\$
			40,322	66,007	10,823
4,646	922,620	4,507,276			
4,646	922,620	4,507,276	40,322	66,007	10,823
	475,633	3,284,188	17,148	10,392	
4,624	188,871	1,017,664	18,617	55,615	10,508
	1,500	5,303	499		315
	1,379	123,500			
	418,067	525	3,450		
	82,418	84,619	608		
4,624	1,167,868	4,515,799	40,322	66,007	10,823
22	(245,248)	(8,523)			
(22)		(26,256)			
(22)		(26,256)			
	(245,248)	(34,779)			
	468,820				
\$	\$ 223,572	\$ (34,779)	\$	\$	\$

(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, 2010
(Continued)

	At-Risk Pupil Dropout Prevention Project	Gifted	Other State Projects
Revenues:			
Other local	\$	\$	\$
State aid and grants	65,280	33,763	135,759
Federal aid, grants and reimbursements			
Total revenues	65,280	33,763	135,759
Expenditures:			
Current -			
Instruction	1,500	20,273	135,759
Support services - students and staff	63,780	13,490	
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	65,280	33,763	135,759
Excess (deficiency) of revenues over expenditures			
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances			
Fund balances, beginning of year			
(Decrease) in reserve for inventory			
(Decrease) in reserve for prepaid items			
Fund balances (deficits), end of year	\$	\$	\$

School Plant	Food Service	Civic Center	Community School	Auxiliary Operations	Extracurricular Activities Fees Tax Credit
\$ 1,165,093	\$ 5,969,779	\$ 64,785	\$ 5,164,469	\$ 1,528,018	\$ 2,123,082
	4,077,528				
<u>1,165,093</u>	<u>10,047,307</u>	<u>64,785</u>	<u>5,164,469</u>	<u>1,528,018</u>	<u>2,123,082</u>
101,579			21,986	894,118	1,300,672
8,306			6,057	86,891	17,442
256,245		16,645	28,440	101,281	
506,539		20,504	186	151,679	36,714
1,800			250	64,066	456,696
	8,658,076		5,313,623	30,021	125,035
3,191,678	270,556		44,189	18,901	36,685
13,281	32,906				
243,145	749,920				
<u>4,322,573</u>	<u>9,711,458</u>	<u>37,149</u>	<u>5,414,731</u>	<u>1,346,957</u>	<u>1,973,244</u>
<u>(3,157,480)</u>	<u>335,849</u>	<u>27,636</u>	<u>(250,262)</u>	<u>181,061</u>	<u>149,838</u>
	(250,000)				
	(250,000)				
<u>(3,157,480)</u>	<u>85,849</u>	<u>27,636</u>	<u>(250,262)</u>	<u>181,061</u>	<u>149,838</u>
6,513,253	2,105,680	748,635	1,114,590	1,722,601	1,741,467
	(34,012)				
(1,091,000)					
<u>\$ 2,264,773</u>	<u>\$ 2,157,517</u>	<u>\$ 776,271</u>	<u>\$ 864,328</u>	<u>\$ 1,903,662</u>	<u>\$ 1,891,305</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, 2010
(Continued)

	Gifts and Donations	Fingerprint	Insurance Proceeds
Revenues:			
Other local	\$ 1,021,720	\$ 9,345	\$ 17,234
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>1,021,720</u>	<u>9,345</u>	<u>17,234</u>
Expenditures:			
Current -			
Instruction	653,149		
Support services - students and staff	202,525		
Support services - administration	82,007	9,022	
Operation and maintenance of plant services	32,017		
Student transportation services	15,700		
Operation of non-instructional services			
Capital outlay	95,040		
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	<u>1,080,438</u>	<u>9,022</u>	<u></u>
Excess (deficiency) of revenues over expenditures	<u>(58,718)</u>	<u>323</u>	<u>17,234</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)	<u></u>	<u></u>	<u></u>
Change in fund balances	<u>(58,718)</u>	<u>323</u>	<u>17,234</u>
Fund balances, beginning of year	1,468,654	5,689	16,916
(Decrease) in reserve for inventory			
(Decrease) in reserve for prepaid items			
Fund balances (deficits), end of year	<u>\$ 1,409,936</u>	<u>\$ 6,012</u>	<u>\$ 34,150</u>

<u>Textbooks</u>	<u>Litigation Recovery</u>	<u>Indirect Costs</u>	<u>Insurance Refund</u>	<u>School Bus Advertisement</u>	<u>Joint Technological Education</u>
\$ 48,095	\$ 65,720	\$ 5,040	\$ 141	\$ 6,243	\$ 1,682,012
<u>48,095</u>	<u>65,720</u>	<u>5,040</u>	<u>141</u>	<u>6,243</u>	<u>1,682,012</u>
89,089					1,369,250
4,732		69,672			412,230
		451,688			1,256
837					301,430
					132,528
					137,475
<u>94,658</u>		<u>521,360</u>			<u>2,354,169</u>
<u>(46,563)</u>	<u>65,720</u>	<u>(516,320)</u>	<u>141</u>	<u>6,243</u>	<u>(672,157)</u>
		354,729			
		<u>354,729</u>			
<u>(46,563)</u>	<u>65,720</u>	<u>(161,591)</u>	<u>141</u>	<u>6,243</u>	<u>(672,157)</u>
425,509	26,773	668,671	11,516	131,775	2,344,207
<u>\$ 378,946</u>	<u>\$ 92,493</u>	<u>\$ 507,080</u>	<u>\$ 11,657</u>	<u>\$ 138,018</u>	<u>\$ 1,672,050</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, 2010
(Concluded)

	Intergovernmental Agreements	Totals
Revenues:		
Other local	\$ 524,206	\$ 19,405,064
State aid and grants		7,215,480
Federal aid, grants and reimbursements		19,515,384
Total revenues	524,206	46,135,928
Expenditures:		
Current -		
Instruction	104,995	22,822,245
Support services - students and staff	235,796	6,991,936
Support services - administration		1,303,886
Operation and maintenance of plant services	92,706	1,331,921
Student transportation services	3,275	1,249,007
Operation of non-instructional services		14,126,755
Capital outlay	40,173	4,550,484
Debt service -		
Interest and fiscal charges		46,187
Principal retirement		993,065
Total expenditures	476,945	53,415,486
Excess (deficiency) of revenues over expenditures	47,261	(7,279,558)
Other financing sources (uses):		
Transfer in		354,729
Transfer out		(354,729)
Total other financing sources (uses)		-
Change in fund balances	47,261	(7,279,558)
Fund balances, beginning of year	441,113	22,306,325
(Decrease) in reserve for inventory		(34,012)
(Decrease) in reserve for prepaid items		(1,091,000)
Fund balances (deficits), end of year	\$ 488,374	\$ 13,901,755

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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, 2010

	Classroom Site		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants	7,500,000	5,861,702	(1,638,298)
Federal aid, grants and reimbursements			
Total revenues	<u>7,500,000</u>	<u>5,861,702</u>	<u>(1,638,298)</u>
Expenditures:			
Current -			
Instruction	12,667,400	7,701,721	4,965,679
Support services - students and staff	613,345	807,266	(193,921)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	<u>13,280,745</u>	<u>8,508,987</u>	<u>4,771,758</u>
Excess (deficiency) of revenues over expenditures	<u>(5,780,745)</u>	<u>(2,647,285)</u>	<u>3,133,460</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	<u>(5,780,745)</u>	<u>(2,647,285)</u>	<u>3,133,460</u>
Fund balances, July 1, 2009	551,373	1,140,045	588,672
(Decrease) in reserve for inventory			
(Decrease) in reserve for prepaid items			
Fund balances (deficits), June 30, 2010	<u>\$ (5,229,372)</u>	<u>\$ (1,507,240)</u>	<u>\$ 3,722,132</u>

Instructional Improvement		
Budget	Actual	Variance - Positive (Negative)
\$	\$ 10,082	\$ 10,082
	936,878	936,878
	946,960	946,960
1,049,626	848,533	201,093
786,172	635,553	150,619
13,533	10,940	2,593
44,055	35,615	8,440
3,834	3,100	734
1,897,220	1,533,741	363,479
(1,897,220)	(586,781)	1,310,439
(1,897,220)	(586,781)	1,310,439
	1,210,411	1,210,411
\$ (1,897,220)	\$ 623,630	\$ 2,520,850

Compensatory Instruction		
Budget	Actual	Variance - Positive (Negative)
\$	\$	\$
130,904	64,946	(65,958)
130,904	64,946	(65,958)
130,904	64,946	65,958
130,904	64,946	65,958
\$	\$	\$

(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, 2010
(Continued)

	Title I Grants		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	6,712,374	3,713,166	(2,999,208)
Total revenues	<u>6,712,374</u>	<u>3,713,166</u>	<u>(2,999,208)</u>
Expenditures:			
Current -			
Instruction	3,854,929	2,132,478	1,722,451
Support services - students and staff	1,863,992	1,031,127	832,865
Support services - administration	363,830	201,264	162,566
Operation and maintenance of plant services	45,676	25,267	20,409
Student transportation services	127,191	70,360	56,831
Operation of non-instructional services			
Capital outlay	372,628	206,132	166,496
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	<u>6,628,246</u>	<u>3,666,628</u>	<u>2,961,618</u>
Excess (deficiency) of revenues over expenditures	<u>84,128</u>	<u>46,538</u>	<u>(37,590)</u>
Other financing sources (uses):			
Transfer in			
Transfer out	(84,128)	(46,538)	37,590
Total other financing sources (uses)	<u>(84,128)</u>	<u>(46,538)</u>	<u>37,590</u>
Change in fund balances			
Fund balances, July 1, 2009			
(Decrease) in reserve for inventory			
(Decrease) in reserve for prepaid items			
Fund balances (deficits), June 30, 2010	<u>\$</u>	<u>\$</u>	<u>\$</u>

Professional Development and Technology Grants			Title IV Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
1,065,217	829,372	(235,845)	504,899	395,830	(109,069)
1,065,217	829,372	(235,845)	504,899	395,830	(109,069)
1,538	1,198	340	298,638	234,126	64,512
1,021,681	795,475	226,206	117,922	92,448	25,474
18,247	14,207	4,040	43,999	34,494	9,505
			36,416	28,550	7,866
17,632	13,728	3,904	3,736	2,929	807
1,059,098	824,608	234,490	500,711	392,547	108,164
6,119	4,764	(1,355)	4,188	3,283	(905)
(6,119)	(4,764)	1,355	(4,188)	(3,283)	905
(6,119)	(4,764)	1,355	(4,188)	(3,283)	905
\$	\$	\$	\$	\$	\$

(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, 2010
(Continued)

	Promote Informed Parent Choice		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	8,322	807	(7,515)
Total revenues	8,322	807	(7,515)
Expenditures:			
Current -			
Instruction			
Support services - students and staff	7,703	747	6,956
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	7,703	747	6,956
Excess (deficiency) of revenues over expenditures	619	60	(559)
Other financing sources (uses):			
Transfer in			
Transfer out	(619)	(60)	559
Total other financing sources (uses)	(619)	(60)	559
Change in fund balances			
Fund balances, July 1, 2009			
(Decrease) in reserve for inventory			
(Decrease) in reserve for prepaid items			
Fund balances (deficits), June 30, 2010	\$	\$	\$

Limited English and Immigrant Students			Indian Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
674,579	262,398	(412,181)	97,747	97,634	(113)
674,579	262,398	(412,181)	97,747	97,634	(113)
470,512	183,020	287,492	90,380	90,275	105
81,639	31,756	49,883	2,067	2,065	2
			1,291	1,289	2
			2,683	2,680	3
118,387	46,050	72,337	1,326	1,325	1
670,538	260,826	409,712	97,747	97,634	113
4,041	1,572	(2,469)			
(4,041)	(1,572)	2,469			
(4,041)	(1,572)	2,469			
\$	\$	\$	\$	\$	\$

(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, 2010
(Continued)

	Special Education Grants		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	4,478,015	4,318,543	(159,472)
Total revenues	4,478,015	4,318,543	(159,472)
Expenditures:			
Current -			
Instruction	3,073,288	2,963,841	109,447
Support services - students and staff	1,213,418	1,170,205	43,213
Support services - administration	88,501	85,350	3,151
Operation and maintenance of plant services	900	868	32
Student transportation services			
Operation of non-instructional services			
Capital outlay	81,419	78,520	2,899
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	4,457,526	4,298,784	158,742
Excess (deficiency) of revenues over expenditures	20,489	19,759	(730)
Other financing sources (uses):			
Transfer in			
Transfer out	(20,489)	(19,759)	730
Total other financing sources (uses)	(20,489)	(19,759)	730
Change in fund balances			
Fund balances, July 1, 2009			
(Decrease) in reserve for inventory			
(Decrease) in reserve for prepaid items			
Fund balances (deficits), June 30, 2010	\$	\$	\$

Johnson O'Malley			Vocational Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
16,285	9,275	(7,010)	521,158	376,289	(144,869)
16,285	9,275	(7,010)	521,158	376,289	(144,869)
14,879	8,474	6,405	157,754	113,902	43,852
			11,736	8,474	3,262
			2,965	2,141	824
351	200	151	4,245	3,065	1,180
			341,862	246,833	95,029
15,230	8,674	6,556	518,562	374,415	144,147
1,055	601	(454)	2,596	1,874	(722)
(1,055)	(601)	454	(2,596)	(1,874)	722
(1,055)	(601)	454	(2,596)	(1,874)	722
\$	\$	\$	\$	\$	\$

(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, 2010
(Continued)

	Homeless Education		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	15,944	4,646	(11,298)
Total revenues	15,944	4,646	(11,298)
Expenditures:			
Current -			
Instruction			
Support services - students and staff	15,868	4,624	11,244
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	15,868	4,624	11,244
Excess (deficiency) of revenues over expenditures	76	22	(54)
Other financing sources (uses):			
Transfer in			
Transfer out	(76)	(22)	54
Total other financing sources (uses)	(76)	(22)	54
Change in fund balances			
Fund balances, July 1, 2009			
(Decrease) in reserve for inventory			
(Decrease) in reserve for prepaid items			
Fund balances (deficits), June 30, 2010	\$	\$	\$

Medicaid Reimbursement			Other Federal Projects		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
1,400,646	922,620	(478,026)	3,700,058	4,507,276	807,218
1,400,646	922,620	(478,026)	3,700,058	4,507,276	807,218
570,436	475,633	94,803	2,675,372	3,284,188	(608,816)
226,516	188,871	37,645	829,011	1,017,664	(188,653)
1,799	1,500	299	4,320	5,303	(983)
1,654	1,379	275	100,606	123,500	(22,894)
501,396	418,067	83,329	428	525	(97)
98,845	82,418	16,427	68,932	84,619	(15,687)
1,400,646	1,167,868	232,778	3,678,669	4,515,799	(837,130)
	(245,248)	(245,248)	21,389	(8,523)	(29,912)
			(21,389)	(26,256)	(4,867)
			(21,389)	(26,256)	(4,867)
	(245,248)	(245,248)		(34,779)	(34,779)
	468,820	468,820			
\$	\$ 223,572	\$ 223,572	\$	\$ (34,779)	\$ (34,779)

(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, 2010
(Continued)

	State Vocational Education		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants	169,867	40,322	(129,545)
Federal aid, grants and reimbursements			
Total revenues	169,867	40,322	(129,545)
Expenditures:			
Current -			
Instruction	72,240	17,148	55,092
Support services - students and staff	78,429	18,617	59,812
Support services - administration	2,102	499	1,603
Operation and maintenance of plant services			
Student transportation services	14,534	3,450	11,084
Operation of non-instructional services			
Capital outlay	2,562	608	1,954
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	169,867	40,322	129,545
Excess (deficiency) of revenues over expenditures			
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances			
Fund balances, July 1, 2009			
(Decrease) in reserve for inventory			
(Decrease) in reserve for prepaid items			
Fund balances (deficits), June 30, 2010	\$	\$	\$

Early Childhood Block Grant		
Budget	Actual	Variance - Positive (Negative)
\$ 73,923	\$ 66,007	\$ (7,916)
<u>73,923</u>	<u>66,007</u>	<u>(7,916)</u>

Chemical Abuse Prevention Programs		
Budget	Actual	Variance - Positive (Negative)
\$ 11,568	\$ 10,823	\$ (745)
<u>11,568</u>	<u>10,823</u>	<u>(745)</u>

11,638 10,392 1,246
62,285 55,615 6,670

11,231 10,508 723
337 315 22

73,923 66,007 7,916

11,568 10,823 745

\$ \$ \$

\$ \$ \$

(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, 2010
(Continued)

	At-Risk Pupil Dropout Prevention Project		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants	99,792	65,280	(34,512)
Federal aid, grants and reimbursements			
Total revenues	99,792	65,280	(34,512)
Expenditures:			
Current -			
Instruction	2,293	1,500	793
Support services - students and staff	97,499	63,780	33,719
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	99,792	65,280	34,512
Excess (deficiency) of revenues over expenditures			
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances			
Fund balances, July 1, 2009			
(Decrease) in reserve for inventory			
(Decrease) in reserve for prepaid items			
Fund balances (deficits), June 30, 2010	\$	\$	\$

Gifted			Other State Projects		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 38,294	\$ 33,763	\$ (4,531)	\$ 148,000	\$ 135,759	\$ (12,241)
<u>38,294</u>	<u>33,763</u>	<u>(4,531)</u>	<u>148,000</u>	<u>135,759</u>	<u>(12,241)</u>
22,994	20,273	2,721	148,000	135,759	12,241
15,300	13,490	1,810			
<u>38,294</u>	<u>33,763</u>	<u>4,531</u>	<u>148,000</u>	<u>135,759</u>	<u>12,241</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, 2010
(Continued)

	School Plant		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$ 1,230,000	\$ 1,165,093	\$ (64,907)
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>1,230,000</u>	<u>1,165,093</u>	<u>(64,907)</u>
Expenditures:			
Current -			
Instruction	144,444	101,579	42,865
Support services - students and staff	11,811	8,306	3,505
Support services - administration	364,376	256,245	108,131
Operation and maintenance of plant services	720,291	506,539	213,752
Student transportation services	2,560	1,800	760
Operation of non-instructional services			
Capital outlay	4,282,092	3,191,678	1,090,414
Debt service -			
Interest and fiscal charges	13,281	13,281	
Principal retirement	243,145	243,145	
Total expenditures	<u>5,782,000</u>	<u>4,322,573</u>	<u>1,459,427</u>
Excess (deficiency) of revenues over expenditures	<u>(4,552,000)</u>	<u>(3,157,480)</u>	<u>1,394,520</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	<u>(4,552,000)</u>	<u>(3,157,480)</u>	<u>1,394,520</u>
Fund balances, July 1, 2009	5,422,253	6,513,253	1,091,000
(Decrease) in reserve for inventory			
(Decrease) in reserve for prepaid items		(1,091,000)	(1,091,000)
Fund balances (deficits), June 30, 2010	<u>\$ 870,253</u>	<u>\$ 2,264,773</u>	<u>\$ 1,394,520</u>

Food Service			Civic Center		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 5,941,671	\$ 5,969,779	\$ 28,108	\$ 70,000	\$ 64,785	\$ (5,215)
4,058,329	4,077,528	19,199			
10,000,000	10,047,307	47,307	70,000	64,785	(5,215)
			291,239	16,645	274,594
			358,761	20,504	338,257
9,659,259	8,658,076	1,001,183			
392,364	270,556	121,808			
32,906	32,906				
749,920	749,920				
10,834,449	9,711,458	1,122,991	650,000	37,149	612,851
(834,449)	335,849	1,170,298	(580,000)	27,636	607,636
(250,000)	(250,000)				
(250,000)	(250,000)				
(1,084,449)	85,849	1,170,298	(580,000)	27,636	607,636
1,877,285	2,105,680	228,395	748,635	748,635	
	(34,012)	(34,012)			
\$ 792,836	\$ 2,157,517	\$ 1,364,681	\$ 168,635	\$ 776,271	\$ 607,636

(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, 2010
(Continued)

	Community School		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 5,200,000	\$ 5,164,469	\$ (35,531)
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>5,200,000</u>	<u>5,164,469</u>	<u>(35,531)</u>
Expenditures:			
Current -			
Instruction	16,242	21,986	(5,744)
Support services - students and staff	4,475	6,057	(1,582)
Support services - administration	21,009	28,440	(7,431)
Operation and maintenance of plant services	137	186	(49)
Student transportation services	185	250	(65)
Operation of non-instructional services	3,925,309	5,313,623	(1,388,314)
Capital outlay	32,643	44,189	(11,546)
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	<u>4,000,000</u>	<u>5,414,731</u>	<u>(1,414,731)</u>
Excess (deficiency) of revenues over expenditures	<u>1,200,000</u>	<u>(250,262)</u>	<u>(1,450,262)</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	<u>1,200,000</u>	<u>(250,262)</u>	<u>(1,450,262)</u>
Fund balances, July 1, 2009	1,114,590	1,114,590	
(Decrease) in reserve for inventory			
(Decrease) in reserve for prepaid items			
Fund balances (deficits), June 30, 2010	<u>\$ 2,314,590</u>	<u>\$ 864,328</u>	<u>\$ (1,450,262)</u>

Auxiliary Operations			Extracurricular Activities Fees Tax Credit		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 1,600,000	\$ 1,528,018	\$ (71,982)	\$ 2,200,000	\$ 2,123,082	\$ (76,918)
<u>1,600,000</u>	<u>1,528,018</u>	<u>(71,982)</u>	<u>2,200,000</u>	<u>2,123,082</u>	<u>(76,918)</u>
1,327,612	894,118	433,494	1,977,462	1,300,672	676,790
129,018	86,891	42,127	26,518	17,442	9,076
150,385	101,281	49,104			
225,217	151,679	73,538	55,818	36,714	19,104
95,127	64,066	31,061	694,333	456,696	237,637
44,576	30,021	14,555	190,096	125,035	65,061
28,065	18,901	9,164	55,773	36,685	19,088
<u>2,000,000</u>	<u>1,346,957</u>	<u>653,043</u>	<u>3,000,000</u>	<u>1,973,244</u>	<u>1,026,756</u>
<u>(400,000)</u>	<u>181,061</u>	<u>581,061</u>	<u>(800,000)</u>	<u>149,838</u>	<u>949,838</u>
<u>(400,000)</u>	<u>181,061</u>	<u>581,061</u>	<u>(800,000)</u>	<u>149,838</u>	<u>949,838</u>
1,722,601	1,722,601		1,741,468	1,741,467	(1)
<u>\$ 1,322,601</u>	<u>\$ 1,903,662</u>	<u>\$ 581,061</u>	<u>\$ 941,468</u>	<u>\$ 1,891,305</u>	<u>\$ 949,837</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, 2010
(Continued)

	Gifts and Donations		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$ 1,000,000	\$ 1,021,720	\$ 21,720
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>1,000,000</u>	<u>1,021,720</u>	<u>21,720</u>
Expenditures:			
Current -			
Instruction	1,661,953	653,149	1,008,804
Support services - students and staff	515,330	202,525	312,805
Support services - administration	208,669	82,007	126,662
Operation and maintenance of plant services	81,468	32,017	49,451
Student transportation services	39,949	15,700	24,249
Operation of non-instructional services			
Capital outlay	241,831	95,040	146,791
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	<u>2,749,200</u>	<u>1,080,438</u>	<u>1,668,762</u>
Excess (deficiency) of revenues over expenditures	<u>(1,749,200)</u>	<u>(58,718)</u>	<u>1,690,482</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	<u>(1,749,200)</u>	<u>(58,718)</u>	<u>1,690,482</u>
Fund balances, July 1, 2009	1,468,654	1,468,654	
(Decrease) in reserve for inventory			
(Decrease) in reserve for prepaid items			
Fund balances (deficits), June 30, 2010	<u>\$ (280,546)</u>	<u>\$ 1,409,936</u>	<u>\$ 1,690,482</u>

Fingerprint		
Budget	Actual	Variance - Positive (Negative)
\$ 10,000	\$ 9,345	\$ (655)
<u>10,000</u>	<u>9,345</u>	<u>(655)</u>
20,000	9,022	10,978
<u>20,000</u>	<u>9,022</u>	<u>10,978</u>
(10,000)	323	10,323
<u>(10,000)</u>	<u>323</u>	<u>10,323</u>
5,689	5,689	
<u>\$ (4,311)</u>	<u>\$ 6,012</u>	<u>\$ 10,323</u>

Insurance Proceeds		
Budget	Actual	Variance - Positive (Negative)
\$ 20,000	\$ 17,234	\$ (2,766)
<u>20,000</u>	<u>17,234</u>	<u>(2,766)</u>
14,000		14,000
<u>14,000</u>	<u></u>	<u>14,000</u>
6,000	17,234	11,234
<u>6,000</u>	<u>17,234</u>	<u>11,234</u>
16,916	16,916	
<u>\$ 22,916</u>	<u>\$ 34,150</u>	<u>\$ 11,234</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, 2010
(Continued)

	Textbooks		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 50,000	\$ 48,095	\$ (1,905)
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>50,000</u>	<u>48,095</u>	<u>(1,905)</u>
Expenditures:			
Current -			
Instruction	387,761	89,089	298,672
Support services - students and staff	20,596	4,732	15,864
Support services - administration			
Operation and maintenance of plant services	3,643	837	2,806
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	<u>412,000</u>	<u>94,658</u>	<u>317,342</u>
Excess (deficiency) of revenues over expenditures	<u>(362,000)</u>	<u>(46,563)</u>	<u>315,437</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	<u>(362,000)</u>	<u>(46,563)</u>	<u>315,437</u>
Fund balances, July 1, 2009	425,509	425,509	
(Decrease) in reserve for inventory			
(Decrease) in reserve for prepaid items			
Fund balances (deficits), June 30, 2010	<u>\$ 63,509</u>	<u>\$ 378,946</u>	<u>\$ 315,437</u>

Litigation Recovery			Indirect Costs		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 70,000	\$ 65,720	\$ (4,280)	\$	\$ 5,040	\$ 5,040
<u>70,000</u>	<u>65,720</u>	<u>(4,280)</u>		<u>5,040</u>	<u>5,040</u>
28,000		28,000	94,099	69,672	24,427
			610,051	451,688	158,363
<u>28,000</u>		<u>28,000</u>	<u>704,150</u>	<u>521,360</u>	<u>182,790</u>
<u>42,000</u>	<u>65,720</u>	<u>23,720</u>	<u>(704,150)</u>	<u>(516,320)</u>	<u>187,830</u>
			355,000	354,729	(271)
			<u>355,000</u>	<u>354,729</u>	<u>(271)</u>
<u>42,000</u>	<u>65,720</u>	<u>23,720</u>	<u>(349,150)</u>	<u>(161,591)</u>	<u>187,559</u>
26,773	26,773		668,671	668,671	
<u>\$ 68,773</u>	<u>\$ 92,493</u>	<u>\$ 23,720</u>	<u>\$ 319,521</u>	<u>\$ 507,080</u>	<u>\$ 187,559</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, 2010
(Continued)

	Insurance Refund		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 500	\$ 141	\$ (359)
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	500	141	(359)
Expenditures:			
Current -			
Instruction	12,000		12,000
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 -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	12,000		12,000
Excess (deficiency) of revenues over expenditures	(11,500)	141	11,641
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	(11,500)	141	11,641
Fund balances, July 1, 2009	11,516	11,516	
(Decrease) in reserve for inventory			
(Decrease) in reserve for prepaid items			
Fund balances (deficits), June 30, 2010	\$ 16	\$ 11,657	\$ 11,641

School Bus Advertisement			Joint Technological Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 6,243	\$ 6,243	\$	\$ 1,682,012	\$ 1,682,012
	<u>6,243</u>	<u>6,243</u>		<u>1,682,012</u>	<u>1,682,012</u>
125,000		125,000	1,376,806	1,369,250	7,556
			414,505	412,230	2,275
			1,263	1,256	7
			303,093	301,430	1,663
			133,259	132,528	731
			138,234	137,475	759
<u>125,000</u>		<u>125,000</u>	<u>2,367,160</u>	<u>2,354,169</u>	<u>12,991</u>
(125,000)	6,243	131,243	(2,367,160)	(672,157)	1,695,003
<u>(125,000)</u>	<u>6,243</u>	<u>131,243</u>	<u>(2,367,160)</u>	<u>(672,157)</u>	<u>1,695,003</u>
	131,775	131,775		2,344,207	2,344,207
<u>\$ (125,000)</u>	<u>\$ 138,018</u>	<u>\$ 263,018</u>	<u>\$ (2,367,160)</u>	<u>\$ 1,672,050</u>	<u>\$ 4,039,210</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, 2010
(Concluded)

	Intergovernmental Agreements		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 500,000	\$ 524,206	\$ 24,206
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	500,000	524,206	24,206
Expenditures:			
Current -			
Instruction	195,336	104,995	90,341
Support services - students and staff	438,683	235,796	202,887
Support services - administration			
Operation and maintenance of plant services	172,473	92,706	79,767
Student transportation services	6,093	3,275	2,818
Operation of non-instructional services			
Capital outlay	74,739	40,173	34,566
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	887,324	476,945	410,379
Excess (deficiency) of revenues over expenditures	(387,324)	47,261	434,585
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	(387,324)	47,261	434,585
Fund balances, July 1, 2009	441,113	441,113	
(Decrease) in reserve for inventory			
(Decrease) in reserve for prepaid items			
Fund balances (deficits), June 30, 2010	\$ 53,789	\$ 488,374	\$ 434,585

Totals		
Budget	Actual	Variance - Positive (Negative)
\$ 17,892,171	\$ 19,405,064	\$ 1,512,893
8,172,348	7,215,480	(956,868)
<u>23,253,573</u>	<u>19,515,384</u>	<u>(3,738,189)</u>
<u>49,318,092</u>	<u>46,135,928</u>	<u>(3,182,164)</u>
32,579,437	22,822,245	9,757,192
8,710,849	6,991,936	1,718,913
2,207,916	1,303,886	904,030
2,116,475	1,331,921	784,554
1,779,614	1,249,007	530,607
13,819,240	14,126,755	(307,515)
6,233,357	4,550,484	1,682,873
46,187	46,187	
<u>993,065</u>	<u>993,065</u>	
<u>68,486,140</u>	<u>53,415,486</u>	<u>15,070,654</u>
<u>(19,168,048)</u>	<u>(7,279,558)</u>	<u>11,888,490</u>
355,000	354,729	(271)
<u>(394,700)</u>	<u>(354,729)</u>	<u>39,971</u>
<u>(39,700)</u>		<u>39,700</u>
<u>(19,207,748)</u>	<u>(7,279,558)</u>	<u>11,928,190</u>
16,243,046	22,306,325	6,063,279
	(34,012)	(34,012)
	(1,091,000)	(1,091,000)
<u>\$ (2,964,702)</u>	<u>\$ 13,901,755</u>	<u>\$ 16,866,457</u>

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NON-MAJOR CAPITAL PROJECTS FUNDS

The following non-major Capital Projects Funds are maintained by the District. Arizona Revised Statutes (A.R.S.) and the Uniform System of Financial Records (USFR) require the establishment of these funds for the specified financial activities.

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

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

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

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

Energy and Water Savings – to account for a designated pool of capital investment monies to fund energy or water saving 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, 2010

	<u>Unrestricted Capital Outlay</u>	<u>Adjacent Ways</u>	<u>Soft Capital Allocation</u>	<u>Bond Building</u>
<u>ASSETS</u>				
Cash and investments	\$ 3,929,535	\$ 542,638	\$ 861,346	\$ 26,181
Property taxes receivable	342,100	536,855	449,961	
Due from governmental entities	222,315		84,142	
Due from other funds		5,565,622		
Total assets	<u>\$ 4,493,950</u>	<u>\$ 6,645,115</u>	<u>\$ 1,395,449</u>	<u>\$ 26,181</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 1,232,066	\$ 298,030	\$ 29	\$ 26,181
Deferred revenues	234,310	502,562	447,775	
Total liabilities	<u>1,466,376</u>	<u>800,592</u>	<u>447,804</u>	<u>26,181</u>
Fund balances:				
Unreserved:				
Undesignated	3,027,574	5,844,523	947,645	
Total fund balances	<u>3,027,574</u>	<u>5,844,523</u>	<u>947,645</u>	
Total liabilities and fund balances	<u>\$ 4,493,950</u>	<u>\$ 6,645,115</u>	<u>\$ 1,395,449</u>	<u>\$ 26,181</u>

<u>Building Renewal</u>	<u>Totals</u>
\$ 210,824	\$ 5,570,524
	1,328,916
	306,457
	<u>5,565,622</u>
<u>\$ 210,824</u>	<u>\$ 12,771,519</u>

\$ 6,775	\$ 1,563,081
	<u>1,184,647</u>
<u>6,775</u>	<u>2,747,728</u>

<u>204,049</u>	<u>10,023,791</u>
<u>204,049</u>	<u>10,023,791</u>
<u>\$ 210,824</u>	<u>\$ 12,771,519</u>

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, 2010

	Unrestricted Capital Outlay	Adjacent Ways	Soft Capital Allocation
Revenues:			
Other local	\$ 37,541	\$ 73,280	\$ 58,194
Property taxes	9,799,832	3,657,536	2,516,170
State aid and grants	222,315		398,744
Total revenues	<u>10,059,688</u>	<u>3,730,816</u>	<u>2,973,108</u>
Expenditures:			
Capital outlay	14,487,493	1,040,594	1,834,339
Debt service -			
Interest and fiscal charges			4,588
Principal retirement	1,602,783		62,839
Total expenditures	<u>16,090,276</u>	<u>1,040,594</u>	<u>1,901,766</u>
Excess (deficiency) of revenues over expenditures	<u>(6,030,588)</u>	<u>2,690,222</u>	<u>1,071,342</u>
Other financing sources (uses):			
Transfer in			
Transfer out		(2,000,000)	(4,000,000)
Capital lease agreements	6,000,000		
Total other financing sources (uses)	<u>6,000,000</u>	<u>(2,000,000)</u>	<u>(4,000,000)</u>
Change in fund balances	<u>(30,588)</u>	<u>690,222</u>	<u>(2,928,658)</u>
Fund balances, beginning of year	3,058,162	5,154,301	3,876,303
Fund balances, end of year	<u>\$ 3,027,574</u>	<u>\$ 5,844,523</u>	<u>\$ 947,645</u>

Bond Building	Energy and Water Savings	Building Renewal	Totals
\$ 341,068	\$	\$ 3,769	\$ 513,852
			15,973,538
			621,059
<u>341,068</u>		<u>3,769</u>	<u>17,108,449</u>
611,445	3,151,403	221,546	21,346,820
	21,857		26,445
	32,553		1,698,175
<u>611,445</u>	<u>3,205,813</u>	<u>221,546</u>	<u>23,071,440</u>
<u>(270,377)</u>	<u>(3,205,813)</u>	<u>(217,777)</u>	<u>(5,962,991)</u>
	54,410		54,410
(802)			(6,000,802)
	3,151,403		9,151,403
<u>(802)</u>	<u>3,205,813</u>		<u>3,205,011</u>
<u>(271,179)</u>		<u>(217,777)</u>	<u>(2,757,980)</u>
271,179		421,826	12,781,771
<u>\$</u>	<u>\$</u>	<u>\$ 204,049</u>	<u>\$ 10,023,791</u>

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2010

	Unrestricted Capital Outlay		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 80,000	\$ 37,541	\$ (42,459)
Property taxes	831,252	9,799,832	8,968,580
State aid and grants	222,315	222,315	
Total revenues	1,133,567	10,059,688	8,926,121
Expenditures:			
Capital outlay	23,394,869	8,487,493	14,907,376
Debt service -			
Interest and fiscal charges			
Principal retirement	1,602,783	1,602,783	
Total expenditures	24,997,652	10,090,276	14,907,376
Excess (deficiency) of revenues over expenditures	(23,864,085)	(30,588)	23,833,497
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	(23,864,085)	(30,588)	23,833,497
Fund balances, July 1, 2009	2,961,068	3,058,162	97,094
Fund balances (deficits), June 30, 2010	\$ (20,903,017)	\$ 3,027,574	\$ 23,930,591

Adjacent Ways			Soft Capital Allocation		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 75,000	\$ 73,280	\$ (1,720)	\$ 60,000	\$ 58,194	\$ (1,806)
802,735	3,657,536	2,854,801		2,516,170	2,516,170
			450,000	398,744	(51,256)
877,735	3,730,816	2,853,081	510,000	2,973,108	2,463,108
6,000,000	1,040,594	4,959,406	2,134,430	1,834,339	300,091
			4,588	4,588	
6,000,000	1,040,594	4,959,406	62,839	62,839	
			2,201,857	1,901,766	300,091
(5,122,265)	2,690,222	7,812,487	(1,691,857)	1,071,342	2,763,199
	(2,000,000)	(2,000,000)		(4,000,000)	(4,000,000)
	(2,000,000)	(2,000,000)		(4,000,000)	(4,000,000)
(5,122,265)	690,222	5,812,487	(1,691,857)	(2,928,658)	(1,236,801)
5,122,265	5,154,301	32,036	3,734,000	3,876,303	142,303
\$	\$ 5,844,523	\$ 5,844,523	\$ 2,042,143	\$ 947,645	\$ (1,094,498)

(Continued)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2010
(Continued)

	Bond Building		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 350,000	\$ 341,068	\$ (8,932)
Property taxes			
State aid and grants			
Total revenues	<u>350,000</u>	<u>341,068</u>	<u>(8,932)</u>
Expenditures:			
Capital outlay	611,447	611,445	2
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	<u>611,447</u>	<u>611,445</u>	<u>2</u>
Excess (deficiency) of revenues over expenditures	<u>(261,447)</u>	<u>(270,377)</u>	<u>(8,930)</u>
Other financing sources (uses):			
Transfer in			
Transfer out		(802)	(802)
Total other financing sources (uses)		<u>(802)</u>	<u>(802)</u>
Change in fund balances	<u>(261,447)</u>	<u>(271,179)</u>	<u>(9,732)</u>
Fund balances, July 1, 2009	271,182	271,179	(3)
Fund balances (deficits), June 30, 2010	<u>\$ 9,735</u>	<u>\$</u>	<u>\$ (9,735)</u>

Energy and Water Savings			Building Renewal		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 3,769	\$ 3,769
				3,769	3,769
			1,750,000	221,546	1,528,454
21,857	21,857				
32,553	32,553				
54,410	54,410		1,750,000	221,546	1,528,454
(54,410)	(54,410)		(1,750,000)	(217,777)	1,532,223
	54,410	54,410			
	54,410	54,410			
(54,410)		54,410	(1,750,000)	(217,777)	1,532,223
				421,826	421,826
\$ (54,410)	\$	\$ 54,410	\$ (1,750,000)	\$ 204,049	\$ 1,954,049

(Continued)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2010
(Concluded)

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 565,000	\$ 513,852	\$ (51,148)
Property taxes	1,633,987	15,973,538	14,339,551
State aid and grants	672,315	621,059	(51,256)
Total revenues	2,871,302	17,108,449	14,237,147
Expenditures:			
Capital outlay	33,890,746	12,195,417	21,695,329
Debt service -			
Interest and fiscal charges	26,445	26,445	
Principal retirement	1,698,175	1,698,175	
Total expenditures	35,615,366	13,920,037	21,695,329
Excess (deficiency) of revenues over expenditures	(32,744,064)	3,188,412	35,932,476
Other financing sources (uses):			
Transfer in		54,410	54,410
Transfer out		(6,000,802)	(6,000,802)
Total other financing sources (uses)		(5,946,392)	(5,946,392)
Change in fund balances	(32,744,064)	(2,757,980)	29,986,084
Fund balances, July 1, 2009	12,088,515	12,781,771	693,256
Fund balances (deficits), June 30, 2010	\$ (20,655,549)	\$ 10,023,791	\$ 30,679,340

INTERNAL SERVICE FUNDS

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.

Unemployment Insurance - to account for contributions from other funds to be expended for payments of unemployment insurance claims and premiums to the Arizona Department of Economic Security.

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING STATEMENT OF NET ASSETS - ALL INTERNAL SERVICE FUNDS
JUNE 30, 2010

	Insurance Trust	Unemployment Insurance	Print Shop	Totals
<u>ASSETS</u>				
Current assets:				
Cash and investments	\$ 12,708,673	\$ 900	\$ 42,605	\$ 12,752,178
Total assets	12,708,673	900	42,605	12,752,178
 <u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	\$ 90,851	\$	\$ 3,425	\$ 94,276
Claims payable	115,694			115,694
Total liabilities	206,545		3,425	209,970
 <u>NET ASSETS</u>				
Unrestricted	12,502,128	900	39,180	12,542,208
Total net assets	\$ 12,502,128	\$ 900	\$ 39,180	\$ 12,542,208

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, 2010

	Insurance Trust	Unemployment Insurance	Print Shop	Totals
Operating revenues:				
Contributions	\$ 3,249,122	\$ 75,000	\$	\$ 3,324,122
Other			56,975	56,975
Total operating revenues	<u>3,249,122</u>	<u>75,000</u>	<u>56,975</u>	<u>3,381,097</u>
Operating expenses:				
Other	30,088		68,541	98,629
Claims	348,009			348,009
Adjustment to prior year claim reserves	64,611			64,611
Premiums	2,233,727	227,370		2,461,097
Administrative fees	50,843			50,843
Total operating expenses	<u>2,727,278</u>	<u>227,370</u>	<u>68,541</u>	<u>3,023,189</u>
Operating income (loss)	<u>521,844</u>	<u>(152,370)</u>	<u>(11,566)</u>	<u>357,908</u>
Nonoperating revenues (expenses):				
Investment income	429,223	376	746	430,345
Total nonoperating revenues (expenses)	<u>429,223</u>	<u>376</u>	<u>746</u>	<u>430,345</u>
Change in net assets	<u>951,067</u>	<u>(151,994)</u>	<u>(10,820)</u>	<u>788,253</u>
Total net assets, beginning of year	11,551,061	152,894	50,000	11,753,955
Total net assets, end of year	<u>\$ 12,502,128</u>	<u>\$ 900</u>	<u>\$ 39,180</u>	<u>\$ 12,542,208</u>

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING STATEMENT OF CASH FLOWS - ALL INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2010

	<u>Insurance Trust</u>	<u>Unemployment Insurance</u>	<u>Print Shop</u>	<u>Totals</u>
<u>Increase (decrease) in Cash and Cash Equivalents</u>				
Cash flows from operating activities:				
Cash received from contributions	\$ 3,249,122	\$ 260,000	\$ 56,975	\$ 3,509,122
Cash received from charges for services			56,975	56,975
Cash payments to suppliers for goods and services	(2,261,313)	(263,184)	(65,369)	(2,589,866)
Cash payments for claims	(348,009)			(348,009)
	<u>639,800</u>	<u>(3,184)</u>	<u>(8,394)</u>	<u>628,222</u>
Net cash provided by (used for) operating activities				
Cash flows from investing activities:				
Proceeds from sale of investments	5,487,621			5,487,621
Purchase of investments	(6,019,398)			(6,019,398)
Investment income	429,223	376	746	430,345
	<u>(102,554)</u>	<u>376</u>	<u>746</u>	<u>(101,432)</u>
Net cash provided by (used for) investing activities				
Net increase (decrease) in cash and cash equivalents	<u>537,246</u>	<u>(2,808)</u>	<u>(7,648)</u>	<u>526,790</u>
Cash and cash equivalents, beginning of year	<u>1,649,856</u>	<u>3,708</u>	<u>50,253</u>	<u>1,703,817</u>
Cash and cash equivalents, end of year	<u>\$ 2,187,102</u>	<u>\$ 900</u>	<u>\$ 42,605</u>	<u>\$ 2,230,607</u>
<u>Reconciliation of Cash and Cash Equivalents to the Statement of Net Assets</u>				
Cash and investments	\$ 12,708,673	\$ 900	\$ 42,605	\$ 12,752,178
Less investments not maturing in less than three months	10,521,571			10,521,571
Total cash and cash equivalents	<u>\$ 2,187,102</u>	<u>\$ 900</u>	<u>\$ 42,605</u>	<u>\$ 2,230,607</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u>				
Operating income (loss)	\$ 521,844	\$ (152,370)	\$ (11,566)	\$ 357,908
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Changes in assets and liabilities:				
Decrease in accounts receivable		185,000		185,000
Decrease in prepaid items	10,000			10,000
Increase (decrease) in accounts payable	43,345	(35,814)	3,172	10,703
Increase in claims payable	64,611			64,611
	<u>117,956</u>	<u>149,186</u>	<u>3,172</u>	<u>270,314</u>
Total adjustments	<u>117,956</u>	<u>149,186</u>	<u>3,172</u>	<u>270,314</u>
Net cash provided by (used for) operating activities	<u>\$ 639,800</u>	<u>\$ (3,184)</u>	<u>\$ (8,394)</u>	<u>\$ 628,222</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
ALL AGENCY FUNDS
JUNE 30, 2010

	Student Activities	Employee Withholding	Totals
<u>ASSETS</u>			
Cash and investments	\$ 1,274,929	\$ 1,656,578	\$ 2,931,507
Total assets	\$ 1,274,929	\$ 1,656,578	\$ 2,931,507
 <u>LIABILITIES</u>			
Deposits held for others		1,656,578	1,656,578
Due to student groups	1,274,929		1,274,929
Total liabilities	\$ 1,274,929	\$ 1,656,578	\$ 2,931,507

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES - ALL AGENCY FUNDS
YEAR ENDED JUNE 30, 2010

	Beginning Balance	Additions	Deductions	Ending Balance
<u>STUDENT ACTIVITIES FUND</u>				
<u>Assets</u>				
Cash and investments	\$ 1,158,369	\$ 1,786,233	\$ 1,669,673	\$ 1,274,929
Total assets	\$ 1,158,369	\$ 1,786,233	\$ 1,669,673	\$ 1,274,929
<u>Liabilities</u>				
Accounts payable	\$ 19,356	\$	\$ 19,356	\$
Due to student groups	1,139,013	1,786,233	1,650,317	1,274,929
Total liabilities	\$ 1,158,369	\$ 1,786,233	\$ 1,669,673	\$ 1,274,929
<u>EMPLOYEE WITHHOLDING FUND</u>				
<u>Assets</u>				
Cash and investments	\$ 401,961	\$ 243,004,729	\$ 241,750,112	\$ 1,656,578
Total assets	\$ 401,961	\$ 243,004,729	\$ 241,750,112	\$ 1,656,578
<u>Liabilities</u>				
Deposits held for others	\$ 401,961	\$ 243,004,729	\$ 241,750,112	\$ 1,656,578
Total liabilities	\$ 401,961	\$ 243,004,729	\$ 241,750,112	\$ 1,656,578
<u>TOTAL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash and investments	\$ 1,560,330	\$ 244,790,962	\$ 243,419,785	\$ 2,931,507
Total assets	\$ 1,560,330	\$ 244,790,962	\$ 243,419,785	\$ 2,931,507
<u>Liabilities</u>				
Accounts payable	\$ 19,356	\$	\$ 19,356	\$
Deposits held for others	401,961	243,004,729	241,750,112	1,656,578
Due to student groups	1,139,013	1,786,233	1,650,317	1,274,929
Total liabilities	\$ 1,560,330	\$ 244,790,962	\$ 243,419,785	\$ 2,931,507

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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.

Due to cost considerations for the accumulation of data, the District has elected to present less than ten years of data, or data from less than nine years prior, for certain statistical schedules. This information will be accumulated and reported each year until the complete ten years of data is presented.

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

	Fiscal Year Ended June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Net Assets:					
Invested in capital assets, net of related debt	\$ 119,641,050	\$ 91,163,244	\$ 48,192,458	\$ 28,216,895	\$ (3,844,072)
Restricted	21,350,236	18,163,103	27,247,992	18,271,392	31,303,375
Unrestricted	85,910,876	78,132,576	89,764,742	69,051,591	76,978,447
Total net assets	\$ 226,902,162	\$ 187,458,923	\$ 165,205,192	\$ 115,539,878	\$ 104,437,750

	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Net Assets:				
Invested in capital assets, net of related debt	\$ (18,933,672)	\$ (20,385,972)	\$ (38,250,796)	\$ (82,114,979)
Restricted	32,039,859	41,699,597	40,337,991	63,063,795
Unrestricted	77,813,485	51,099,438	37,815,680	35,169,910
Total net assets	\$ 90,919,672	\$ 72,413,063	\$ 39,902,875	\$ 16,118,726

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

Note: The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 34 were adopted in fiscal year 2001-02 therefore only nine years are shown.

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

	Fiscal Year Ended June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Expenses					
Instruction	\$ 147,449,327	\$ 150,232,317	\$ 145,496,792	\$ 143,954,535	\$ 125,490,708
Support services - students and staff	23,564,220	30,423,170	28,109,615	24,790,839	23,197,071
Support services - administration	17,511,969	18,696,791	18,985,110	20,461,956	18,046,295
Operation and maintenance of plant services	23,374,438	19,134,847	17,914,152	19,046,976	16,544,450
Student transportation services	12,897,691	12,352,644	10,392,338	9,784,345	9,964,930
Operation of non-instructional services	14,916,136	14,187,121	12,901,527	9,332,698	9,570,555
Interest on long-term debt	15,545,637	15,314,478	16,893,641	14,244,381	15,503,270
Total expenses	255,259,418	260,341,368	250,693,175	241,615,730	218,317,279
Program Revenues					
Charges for services:					
Instruction	7,450,076	4,397,975	10,664,507	2,068,694	4,085,434
Operation of non-instructional services	11,105,694	11,458,984	7,708,709	13,175,203	9,378,869
Other activities	1,166,976	247,509	645,791	1,674,402	896,798
Operating grants and contributions	18,447,066	20,397,423	12,724,841	14,399,291	12,386,532
Capital grants and contributions	715,787	373,869	319,049	625,655	326,591
Total program revenues	38,885,599	36,875,760	32,062,897	31,943,245	27,074,224
Net (Expense)/Revenue	\$ (216,373,819)	\$ (223,465,608)	\$ (218,630,278)	\$ (209,672,485)	\$ (191,243,055)

(Continued)

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

	Fiscal Year Ended June 30			
	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Expenses				
Instruction	\$ 113,869,184	\$ 104,905,767	\$ 101,500,930	\$ 82,769,543
Support services - students and staff	19,770,331	60,012,716	57,740,350	58,835,800
Support services - administration	14,530,553			
Operation and maintenance of plant services	16,857,928			
Student transportation services	7,124,752			
Operation of non-instructional services	9,152,610	7,585,488	6,156,758	7,091,294
Interest on long-term debt	9,504,598	12,190,328	13,009,151	15,937,194
Total expenses	<u>190,809,956</u>	<u>184,694,299</u>	<u>178,407,189</u>	<u>164,633,831</u>
Program Revenues				
Charges for services:				
Instruction	4,116,597	6,434,558		1,610,663
Operation of non-instructional services	7,514,151	1,689,375	4,367,466	4,323,480
Other activities	456,496	2,581,336	6,587,113	1,534,703
Operating grants and contributions	10,373,287	10,705,269	16,727,652	9,974,891
Capital grants and contributions	822,494	5,409,143	10,925,521	12,369,886
Total program revenues	<u>23,283,025</u>	<u>26,819,681</u>	<u>38,607,752</u>	<u>29,813,623</u>
Net (Expense)/Revenue	<u>\$ (167,526,931)</u>	<u>\$ (157,874,618)</u>	<u>\$ (139,799,437)</u>	<u>\$ (134,820,208)</u>

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

Notes: 1) The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 34 were adopted in fiscal year 2001-02 therefore only nine years are shown.

2) Support services - administration, operation and maintenance of plant services and student transportation services expenditures in fiscal years ended 2002-2004 are included in the support services - students and staff category.

(Concluded)

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

	Fiscal Year Ended June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Net (Expense)/Revenue	\$ (216,373,819)	\$ (223,465,608)	\$ (218,630,278)	\$ (209,672,485)	\$ (191,243,055)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	135,372,331	138,501,230	131,582,423	117,420,864	114,142,175
Property taxes, levied for debt service	69,711,445	50,257,693	62,310,748	38,793,771	35,170,878
Property taxes, levied for capital outlay	16,272,119	17,859,641	17,760,121	10,697,664	7,725,283
Investment income	1,202,937	2,717,214	6,525,102	8,737,938	5,422,202
Unrestricted county aid	229,750			7,383	621,810
Unrestricted state aid	28,969,013	36,383,561	50,117,198	45,116,993	41,678,785
Unrestricted federal aid	4,059,463				
Total general revenues	<u>255,817,058</u>	<u>245,719,339</u>	<u>268,295,592</u>	<u>220,774,613</u>	<u>204,761,133</u>
Changes in Net Assets	<u>\$ 39,443,239</u>	<u>\$ 22,253,731</u>	<u>\$ 49,665,314</u>	<u>\$ 11,102,128</u>	<u>\$ 13,518,078</u>
	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	
Net (Expense)/Revenue	\$ (167,526,931)	\$ (157,874,618)	\$ (139,799,437)	\$ (134,820,208)	
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	112,044,640	148,301,263	135,959,661	132,106,763	
Property taxes, levied for debt service	36,388,998				
Property taxes, levied for capital outlay	7,740,724				
Investment income	3,514,667	2,056,031	4,286,567	5,045,102	
Unrestricted county aid	586,711	947,024	1,108,707	1,201,125	
Unrestricted state aid	38,994,453	39,176,216	31,403,378	40,241,296	
Unrestricted federal aid					
Total general revenues	<u>199,270,193</u>	<u>190,480,534</u>	<u>172,758,313</u>	<u>178,594,286</u>	
Changes in Net Assets	<u>\$ 31,743,262</u>	<u>\$ 32,605,916</u>	<u>\$ 32,958,876</u>	<u>\$ 43,774,078</u>	

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

- Notes:** 1) The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 34 were adopted in fiscal year 2001-02 therefore only nine years are shown.
- 2) The Arizona State Legislature suspended county equalization payments to school districts for fiscal years 2006-07 through 2008-09. As a result, state equalization revenues were increased.
- 3) Property taxes, levied for debt service and capital outlay in fiscal year 2002-2004 were included in the property taxes, levied for general purposes category.

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

	Fiscal Year Ended June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Fund:					
Reserved	\$ 13,670,922	\$ 2,520,492	\$ 121,451	\$ 81,599	\$ 94,307
Unreserved	3,907,668	7,164,705	12,137,521	7,658,579	13,770,712
Total General Fund	\$ 17,578,590	\$ 9,685,197	\$ 12,258,972	\$ 7,740,178	\$ 13,865,019
All Other Governmental Funds:					
Reserved	\$ 194,383	\$ 1,319,395	\$ 203,641	\$ 126,061	\$ 122,710
Unreserved, reported in:					
Special revenue funds	13,707,372	20,986,930	27,079,146	29,549,369	31,511,380
Capital projects funds	10,023,791	12,781,771	23,252,334	88,135,713	60,378,532
Debt service funds	8,444,949	3,732,794	9,474,851	5,949,241	15,953,214
Total all other governmental funds	\$ 32,370,495	\$ 38,820,890	\$ 60,009,972	\$ 123,760,384	\$ 107,965,836
	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	
General Fund:					
Reserved	\$ 43,707	\$ 5,231,155	\$ 404,026	\$ 1,063,324	
Unreserved	12,720,739	5,041,494	293,654	4,316,233	
Total General Fund	\$ 12,764,446	\$ 10,272,649	\$ 697,680	\$ 5,379,557	
All Other Governmental Funds:					
Reserved	\$ 20,798	\$	\$ 702,272	\$ 61,755	
Unreserved, reported in:					
Special revenue funds	29,568,588	27,411,426	27,268,092	25,408,960	
Capital projects funds	109,409,992	16,520,576	16,755,044	29,442,263	
Debt service funds	15,041,608	9,193,331	7,937,135	7,691,483	
Total all other governmental funds	\$ 154,040,986	\$ 53,125,333	\$ 52,662,543	\$ 62,604,461	

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

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

	Fiscal Year Ended June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Federal sources:					
Federal grants	\$ 19,497,319	\$ 11,763,005	\$ 9,446,124	\$ 10,521,632	\$ 10,080,194
National School Lunch Program	4,077,528	3,109,392	2,829,134	2,568,175	2,251,152
Total federal sources	<u>23,574,847</u>	<u>14,872,397</u>	<u>12,275,258</u>	<u>13,089,807</u>	<u>12,331,346</u>
State sources:					
State equalization assistance	21,210,753	28,018,928	34,419,996	31,909,143	28,415,236
State grants	416,900	1,720,544	768,632	477,755	11,609,981
School Facilities Board			1,409,087	2,759,082	2,152,779
Other revenues	6,798,580	8,802,149	13,850,599	11,664,869	
Total state sources	<u>28,426,233</u>	<u>38,541,621</u>	<u>50,448,314</u>	<u>46,810,849</u>	<u>42,177,996</u>
Local sources:					
Property taxes	212,292,088	198,914,373	211,328,645	168,550,763	155,533,225
County aid	229,750			7,383	621,810
Food service sales	5,953,610	6,743,401	6,477,759	5,605,694	5,461,309
Investment income	772,592	2,165,185	5,886,443	8,112,267	5,422,202
Other revenues	13,769,136	13,025,569	12,541,248	11,312,605	8,899,792
Total local sources	<u>233,017,176</u>	<u>220,848,528</u>	<u>236,234,095</u>	<u>193,588,712</u>	<u>175,938,338</u>
Total revenues	<u>\$ 285,018,256</u>	<u>\$ 274,262,546</u>	<u>\$ 298,957,667</u>	<u>\$ 253,489,368</u>	<u>\$ 230,447,680</u>
	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	
Federal sources:					
Federal grants	\$ 7,918,482	\$ 5,919,742	\$ 7,013,078	\$ 5,587,741	
National School Lunch Program	2,094,378	1,689,375	1,690,509	1,285,941	
Total federal sources	<u>10,012,860</u>	<u>7,609,117</u>	<u>8,703,587</u>	<u>6,873,682</u>	
State sources:					
State equalization assistance	27,776,834	31,509,424	31,403,378	40,241,296	
State grants	10,060,396	7,632,066	8,024,065	556,822	
School Facilities Board	2,609,764	59,190	2,440,607	12,369,886	
Other revenues				75,556	
Total state sources	<u>40,446,994</u>	<u>39,200,680</u>	<u>41,868,050</u>	<u>53,243,560</u>	
Local sources:					
Property taxes	155,758,869	149,377,823	135,859,575	132,106,763	
County aid	586,711	947,024	1,108,707	1,201,125	
Food service sales	4,821,990	4,404,906	4,367,466	4,323,440	
Investment income	3,514,667	776,009	2,167,474	5,045,102	
Other revenues	8,319,703	8,861,639	6,779,505	5,614,237	
Total local sources	<u>173,001,940</u>	<u>164,367,401</u>	<u>150,282,727</u>	<u>148,290,667</u>	
Total revenues	<u>\$ 223,461,794</u>	<u>\$ 211,177,198</u>	<u>\$ 200,854,364</u>	<u>\$ 208,407,909</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. As a result, state equalization revenues were increased.

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

	Fiscal Year Ended June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Expenditures:					
Current -					
Instruction	\$ 122,750,360	\$ 127,153,635	\$ 120,381,294	\$ 117,678,953	\$ 105,288,856
Support services - students and staff	22,795,238	29,827,558	27,990,156	24,025,178	22,108,327
Support services - administration	17,027,190	17,573,126	18,852,748	18,845,652	16,604,220
Operation and maintenance of plant services	23,245,880	18,574,493	17,565,176	18,610,793	15,941,269
Student transportation services	9,147,622	8,781,402	8,821,119	8,325,830	7,437,871
Operation of non-instructional services	14,466,608	13,811,574	12,701,796	10,308,291	8,392,428
Capital outlay	25,897,304	28,265,833	90,509,728	108,363,299	62,256,553
Debt service -					
Judgments against the district		1,037,611			
Capital lease payments					
Interest, premium and fiscal charges	15,545,637	15,314,478	16,893,641	15,630,522	15,503,270
Principal retirement	51,876,240	42,208,349	45,658,288	40,696,264	22,131,108
Payment to refunded bond escrow agent					
Bond issuance costs				946,477	
Total expenditures	<u>\$ 302,752,079</u>	<u>\$ 302,548,059</u>	<u>\$ 359,373,946</u>	<u>\$ 363,431,259</u>	<u>\$ 275,663,902</u>
Expenditures for capitalized assets	\$ 8,322,513	\$ 15,287,498	\$ 75,919,035	\$ 93,375,356	\$ 50,898,850
Debt service as a percentage of noncapital expenditures	23%	20%	22%	21%	17%

(Continued)

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

	Fiscal Year Ended June 30			
	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Expenditures:				
Current -				
Instruction	\$ 103,761,206	\$ 100,457,352	\$ 99,743,567	\$ 92,041,416
Support services - students and staff	19,325,577	55,079,972	58,225,075	62,984,498
Support services - administration	13,966,028			
Operation and maintenance of plant services	15,166,294			
Student transportation services	5,975,282			
Operation of non-instructional services	9,126,402	7,406,004	6,172,603	6,120,433
Capital outlay	21,184,648	3,325,950	15,102,923	45,702,998
Debt service -				
Judgments against the district				
Capital lease payments		348,545	316,685	274,222
Interest, premium and fiscal charges	11,249,997	12,175,328	13,009,151	15,937,194
Principal retirement	23,370,540	20,120,000	17,730,000	14,680,000
Payment to refunded bond escrow agent		2,000,000	5,000,000	675,000
Bond issuance costs	254,018			
Total expenditures	<u>\$ 223,379,992</u>	<u>\$ 200,913,151</u>	<u>\$ 215,300,004</u>	<u>\$ 238,415,761</u>
Expenditures for capitalized assets	\$ 15,108,111	\$ 9,561,463	\$ 33,523,096	\$ 80,447,954
Debt service as a percentage of noncapital expenditures	17%	18%	20%	20%

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

Note: Support services - administration, operation and maintenance of plant services and student transportation services expenditures in fiscal years ended 2002-2004 are included in the support services - students and staff category.

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

	Fiscal Year Ended June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Excess (deficiency) of revenues over expenditures	\$ (17,733,823)	\$ (28,285,513)	\$ (60,416,279)	\$ (109,941,891)	\$ (45,216,222)
Other financing sources (uses):					
General obligation bonds issued				117,000,000	
Refunding bonds issued				100,600,000	
Premium on sale of refunding bonds				8,163,526	
Premium on sale of bonds				1,977,144	
Proceeds from sale of capital assets					
Capital lease agreements	9,151,403	1,007,861	1,067,229	288,337	89,133
Transfers in	6,409,941	3,441,638	1,903,033	6,293,185	2,371,905
Transfers out	(6,409,941)	(3,441,638)	(1,903,033)	(6,293,185)	(2,371,905)
Payment to refunded bond escrow agent				(108,408,052)	
Total other financing sources (uses)	<u>9,151,403</u>	<u>1,007,861</u>	<u>1,067,229</u>	<u>119,620,955</u>	<u>89,133</u>
Changes in fund balances	<u>\$ (8,582,420)</u>	<u>\$ (27,277,652)</u>	<u>\$ (59,349,050)</u>	<u>\$ 9,679,064</u>	<u>\$ (45,127,089)</u>
	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	
Excess (deficiency) of revenues over expenditures	\$ 81,802	\$ 10,264,047	\$ (14,445,640)	\$ (30,007,852)	
Other financing sources (uses):					
General obligation bonds issued	100,000,000				
Refunding bonds issued		34,183,640	133,675,000	37,517,122	
Premium on sale of refunding bonds					
Premium on sale of bonds	1,999,417				
Proceeds from sale of capital assets		33,577	161,808	30,143	
Capital lease agreements	1,392,881	15,278	15,818	73,063	
Transfers in	3,016,380	350,370	525,752	1,676,186	
Transfers out	(3,016,380)	(350,370)	(525,752)	(1,676,186)	
Payment to refunded bond escrow agent		(34,183,640)	(133,675,000)	(37,517,122)	
Total other financing sources (uses)	<u>103,392,298</u>	<u>48,855</u>	<u>177,626</u>	<u>103,206</u>	
Changes in fund balances	<u>\$ 103,474,100</u>	<u>\$ 10,312,902</u>	<u>\$ (14,268,014)</u>	<u>\$ (29,904,646)</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 10 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							
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	11.0 %
2009						7,159,783,184	3.89	65,628,952,152	10.9
2008						6,183,080,117	4.68	55,670,082,475	11.1
2007						4,363,145,629	4.71	37,133,132,154	11.8
2006						4,062,407,764	4.68	34,914,943,036	11.6
2005						3,746,387,346	5.03	31,776,527,063	11.8
2004						3,496,719,828	5.19	28,139,955,079	12.4
2003						3,098,562,046	5.30	24,134,530,787	12.8
2002						2,979,814,139	5.44	23,423,772,659	12.7
2001						2,708,919,498	5.46	21,236,884,896	12.8

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
2010	21%	16%	10%	10%	17%

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

- Notes:** 1) For purposes of calculating the assessed value as a percentage of actual value, the tax-exempt property was included in the assessed value.
2) Total taxable assessed valuation and assessment ratios are displayed by major component beginning with fiscal year ended June 30, 2010.
3) Additional classes of property exist, but seldom amount to a significant portion of the total valuation.

**SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST 10 FISCAL YEARS**

Fiscal Year Ended June 30	Overlapping Rates						District Direct Rates		
	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
2010	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	1.35	0.10	3.77	1.26	5.03
2004	1.55	1.08	1.12	1.82	1.35	0.10	3.89	1.30	5.19
2003	1.54	1.11	1.16	1.82	1.35	0.12	3.94	1.36	5.30
2002	1.55	1.11	1.15	1.82	1.35	0.11	4.08	1.36	5.44
2001	1.28	1.12	1.19	1.82	1.35	0.12	4.04	1.42	5.46

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 NINE YEARS AGO**

<u>Taxpayer</u>	<u>2010</u>		<u>2002</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>
Gainey Drive Associates	\$ 26,771,096	0.37 %	\$ 15,938,660	0.51 %
Portales Corporate Center LLC	25,785,584	0.36		
JEMB Scottsdale LLC	22,213,400	0.31		
DC Ranch LLC	22,151,770	0.31		
Scottsdale Fiesta Retail Center LLC	17,529,320	0.24		
KBS TRS Fund IV	16,079,131	0.22		
Montelucia Hotel LLC	15,563,796	0.21		
Drug (AZ) QRS 14-42 Inc.	15,164,132	0.21		
RCC North LLC	14,300,000	0.20		
Five Star Development Resort Communities LLC	14,180,247	0.20		
Scottsdale Fashion Square			48,645,138	1.57
Sheraton Phoenician			38,355,879	1.24
US West Communications			30,441,965	0.98
MCI World Com			23,195,404	0.75
General Dynamics Precision			19,721,311	0.64
Gainey Ranch Financial			16,171,688	0.52
Marriott Corporation			11,157,802	0.36
Scottsdale Plaza Resort LLC			9,482,053	0.31
Total	<u>\$ 189,738,476</u>	<u>2.63 %</u>	<u>\$ 213,109,900</u>	<u>6.88 %</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 10 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
2010	\$ 242,359,809	\$ 220,594,794	91.02 %	\$ -	\$ 220,594,794	91.02 %
2009	227,393,423	212,062,159	93.26	12,855,855	224,918,014	98.91
2008	237,417,646	230,341,958	97.02	7,055,682	237,397,640	99.99
2007	193,926,037	188,685,468	97.30	5,228,536	193,914,004	99.99
2006	178,630,188	171,535,877	96.03	7,065,087	178,600,964	99.98
2005	177,711,029	171,309,334	96.40	6,371,845	177,681,179	99.98
2004	168,823,363	162,620,956	96.33	6,182,031	168,802,987	99.99
2003	156,676,979	149,423,536	95.37	7,240,479	156,664,015	99.99
2002	151,152,592	146,928,218	97.21	4,214,789	151,143,007	99.99
2001	137,714,218	136,473,929	99.10	1,239,594	137,713,523	100.00

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

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

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

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
OUTSTANDING DEBT BY TYPE
LAST NINE 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
2010	\$ 271,585,000	\$ 31,955,000	\$ 239,630,000	0.37 %	\$ 6,447	\$ 8,244,259	\$ 247,874,259	0.38 %	\$ 6,669
2009	321,805,000	32,990,000	288,815,000	0.44	7,993	1,784,096	290,599,096	0.44	8,042
2008	375,460,000	45,155,000	330,305,000	0.59	1,397	1,494,584	331,799,584	0.60	1,404
2007	402,600,000	27,140,000	375,460,000	1.01	1,235	930,643	376,390,643	1.01	1,238
2006	320,655,000	21,855,000	298,800,000	0.86	1,183	998,570	299,798,570	0.86	1,187
2005	343,605,000	22,950,000	320,655,000	1.01	1,474	1,185,545	321,840,545	1.01	1,479
2004	263,725,000	20,120,000	243,605,000	0.87	1,133	213,204	243,818,204	0.87	1,134
2003	283,440,000	17,730,000	265,710,000	1.10	1,311	546,471	266,256,471	1.10	1,314
2002	300,265,000	14,680,000	285,585,000	1.22	1,462	847,338	286,432,338	1.22	1,466

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, 2010

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to School District</u>	<u>Estimated Amount Applicable to School District</u>
Overlapping:			
Maricopa County Community College District	\$ 653,040,000	12.42 %	\$ 81,107,568
City of Scottsdale	602,255,000	60.28	363,039,314
City of Phoenix	1,697,478,959	5.16	87,589,914
City of Tempe	442,000,000	0.71	3,138,200
Waterfront Community Facilities District	3,780,000	100.00	3,780,000
Scottsdale Mountain Community Facilities District	3,350,000	100.00	3,350,000
McDowell Mountain Ranch Community Facilities District	14,065,000	100.00	14,065,000
DC Ranch Community Facilities District	16,890,000	100.00	16,890,000
Via Linda Road Community Facilities District	2,580,000	100.00	2,580,000
Subtotal, Overlapping Debt			<u>575,539,996</u>
Direct:			
Scottsdale Unified School District No. 48			<u>247,874,259</u>
Total Direct and Overlapping Debt			<u>\$ 823,414,255</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) Outstanding debt as of June 30, 2009 is presented for the overlapping governments as this is the most recent available information.

2) The estimated percentage of debt outstanding applicable to the District is based on the District's secondary assessed valuation as a percentage of the secondary assessed valuation of the overlapping jurisdiction.

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

Class B Bond Legal Debt Margin Calculation for Fiscal Year 2010:

Secondary assessed valuation	\$ 7,201,679,605
Debt limit (10% of assessed value)	720,167,961
Debt applicable to limit	<u>147,925,000</u>
Legal debt margin	<u><u>\$ 572,242,961</u></u>

Legal Debt Margin Calculation for Fiscal Year 2010:

Secondary assessed valuation	\$7,201,679,605
Debt limit (30% of assessed value)	2,160,503,882
Debt applicable to limit	<u>239,630,000</u>
Legal debt margin	<u><u>\$1,920,873,882</u></u>

Fiscal Year Ended June 30

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Debt limit	\$ 2,160,503,882	\$ 2,147,934,955	\$ 1,854,924,035	\$ 1,308,943,689	\$ 1,218,722,329
Total net debt applicable to limit	<u>239,630,000</u>	<u>288,815,000</u>	<u>330,305,000</u>	<u>375,460,000</u>	<u>298,800,000</u>
Legal debt margin	<u><u>\$ 1,920,873,882</u></u>	<u><u>\$ 1,859,119,955</u></u>	<u><u>\$ 1,524,619,035</u></u>	<u><u>\$ 933,483,689</u></u>	<u><u>\$ 919,922,329</u></u>
Total net debt applicable to the limit as a percentage of debt limit	11%	13%	18%	29%	25%

	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Debt limit	\$ 1,123,916,204	\$ 1,049,015,948	\$ 929,568,614	\$ 893,944,242
Total net debt applicable to limit	<u>320,655,000</u>	<u>243,605,000</u>	<u>265,710,000</u>	<u>285,585,000</u>
Legal debt margin	<u><u>\$ 803,261,204</u></u>	<u><u>\$ 805,410,948</u></u>	<u><u>\$ 663,858,614</u></u>	<u><u>\$ 608,359,242</u></u>
Total net debt applicable to the limit as a percentage of debt limit	29%	23%	29%	32%

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

Note: 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.

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST 10 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>
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
2001	3,192,100	89,771,608	28,329	4.1	195,398
2000	3,072,149	N/A	28,267	2.6	N/A

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 is State of Arizona, Department of Economic Security.

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

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

<u>Employer</u>	<u>2010</u>		<u>2002</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
State of Arizona	52,420	2.73 %	59,348	3.36 %
Wal-Mart Stores Inc.	31,280	1.63	13,800	0.78
Banner Health Systems	27,431	1.43	13,913	0.79
City of Phoenix	16,375	0.85	12,917	0.73
Wells Fargo Company	14,000	0.73	7,640	0.43
Maricopa County	12,996	0.68	13,860	0.79
Apollo Group Inc.	12,299	0.64		
Arizona State University	12,043	0.63	8,000	0.45
Raytheon Co.	11,500	0.60		
Honeywell	10,145	0.53	16,500	0.93
Intel Corp.	10,000	0.52	9,000	0.51
Bank of America	10,000	0.52	5,458	0.31
JP Morgan Chase & Co	9,300	0.48	9,000	0.51
Mesa Public Schools	9,200	0.48	6,754	0.38
U.S. Postal Service	8,681	0.45	9,756	0.55
US Airways	8,646	0.45	8,616	0.49
Luke Air Force Base	8,000	0.42	5,455	0.31
Catholic Healthcare West	7,771	0.40		
American Express Co.	7,324	0.38	9,000	0.51
Arizona Public Service	6,500	0.34	6,300	0.36
Safeway Inc.			8,500	0.48
Fry's Food and Drug Stores			7,500	0.42
Qwest Communications Inc.			7,500	0.42
Tosco Marketing Co.			5,801	0.33
Total	<u>285,911</u>	<u>14.89 %</u>	<u>244,618</u>	<u>13.84 %</u>
Total employment	<u>1,923,600</u>		<u>1,764,964</u>	

Source: The Business Journal Book of Lists and the Arizona Workforce Informer.

Note: The information presented is county-wide.

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

	Full-time Equivalent Employees as of June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Supervisory					
Consultants/supervisors of instruction	14	18	17	16	16
Principals	31	31	32	27	32
Assistant principals	38	45	43	35	36
Total supervisory	<u>83</u>	<u>94</u>	<u>92</u>	<u>78</u>	<u>84</u>
Instruction					
Teachers	1,480	1,590	1,608	1,580	1,462
Other professionals (instructional)	113	112	89	65	87
Aides	317	314	282	166	197
Total instruction	<u>1,910</u>	<u>2,016</u>	<u>1,979</u>	<u>1,811</u>	<u>1,746</u>
Student Services					
Librarians	11	11	31	37	27
Technicians	28	28	41	3	3
Total student services	<u>39</u>	<u>39</u>	<u>72</u>	<u>40</u>	<u>30</u>
Support and Administration					
Service workers	569	613	618	595	600
Unskilled laborers	255	250	242	240	234
Total support and administration	<u>824</u>	<u>863</u>	<u>860</u>	<u>835</u>	<u>834</u>
Total	<u><u>2,856</u></u>	<u><u>3,012</u></u>	<u><u>3,003</u></u>	<u><u>2,764</u></u>	<u><u>2,694</u></u>

(Continued)

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

	Full-time Equivalent Employees as of June 30	
	<u>2005</u>	<u>2004</u>
Supervisory		
Consultants/supervisors of instruction	16	16
Principals	32	31
Assistant principals	36	36
Total supervisory	84	83
Instruction		
Teachers	1,457	1,447
Other professionals (instructional)	86	85
Aides	187	182
Total instruction	1,730	1,714
Student Services		
Librarians	25	24
Technicians	19	17
Total student services	44	41
Support and Administration		
Service workers	525	522
Unskilled laborers	235	234
Total support and administration	760	756
Total	2,618	2,594

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

(Concluded)

SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
OPERATING STATISTICS
LAST NINE 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
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	1.73	178,407,189	6,836	8.22	1,680	15.5	15.0
2002	26,064	161,146,347	6,183	N/A	164,633,831	6,317	N/A	1,628	16.0	N/A

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

Notes: 1) Operating expenditures are total expenditures less debt service and capital outlay.

2) N/A indicates that the information is not available.

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

	Fiscal Year Ended June 30								
	<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>2002</u>
<u>Schools</u>									
Elementary									
Buildings	166	166	166	166	160	160	160	160	160
Square feet	1,399,949	1,399,949	1,399,949	1,399,949	1,389,364	1,389,364	1,389,364	1,389,364	1,380,364
Capacity	15,336	15,336	15,336	15,336	15,336	15,336	15,336	15,336	15,336
Enrollment	13,694	13,727	11,734	11,674	11,826	10,471	11,947	11,964	14,563
Middle									
Buildings	78	78	78	78	78	78	78	78	78
Square feet	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
Enrollment	4,566	4,640	5,231	5,091	5,105	6,400	5,838	5,830	4,200
High									
Buildings	48	48	42	42	49	49	49	49	49
Square feet	1,729,392	1,729,392	1,665,520	1,405,247	1,424,419	1,429,419	1,424,419	1,424,419	1,424,419
Capacity	11,784	11,784	12,598	10,630	10,630	10,630	10,630	10,630	10,630
Enrollment	8,724	8,510	8,858	8,498	8,514	8,318	8,167	8,205	8,124
Other									
Buildings	4	4	4	4	1	1	1	1	N/A
Square feet	33,998	33,998	33,998	33,998	18,000	18,000	18,000	18,000	N/A
Capacity	250	250	250	250	250	250	250	250	N/A
Enrollment	98	115	100	100	72	93	81	90	N/A
<u>Administrative</u>									
Buildings	3	3	3	3	3	3	3	3	3
Square feet	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
Buses	202	202	202	202	202	204	159	151	143
<u>Athletics</u>									
Football fields	5	5	5	5	5	5	5	5	5
Soccer fields	0	0	0	0	0	0	0	0	0
Running tracks	5	5	5	5	5	5	5	5	5
Baseball/softball	63	63	63	63	59	59	59	59	59
Swimming pools	0	0	0	0	0	0	0	0	0
Playgrounds	22	22	22	22	22	22	22	22	22

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

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