

Amphitheater Unified School District No. 10

Comprehensive Annual Financial Report
for the Fiscal Year Ended June 30, 2018



701 West Wetmore Road - Tucson, Arizona 85705

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10

TUCSON, ARIZONA

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Issued by:
Finance Department

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10

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INTRODUCTORY SECTION

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FINANCE & ACCOUNTING

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Chief Financial Officer

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GOVERNING BOARD MEMBERS

Vicki Cox Golder
President

Susan Zibrat
Vice President

Scott K. Baker, Ph.D.

Deanna M. Day, M.Ed.

Matthew A. Kopec

SUPERINTENDENT

Todd A. Jaeger, J.D.

February 27, 2019

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

State law mandates that school districts are required to undergo an annual single audit and publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States by a certified public accounting firm licensed in the State of Arizona. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Amphitheater Unified School District No. 10 (District) for the fiscal year ended June 30, 2018.

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, 2018, are free of material misstatement.

The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2018, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated Single Audit as required by the provisions of the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the District's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in a separately issued Single Audit Reporting Package.

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

PROFILE OF THE DISTRICT

The District is one of 18 public school districts located in Pima County, Arizona. It provides a program of public education from preschool through grade 12, with an average daily membership of 13,293. The projected enrollment for fiscal year 2019 is 12,867.

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

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

The financial reporting entity consists of a primary government and its component units. A component unit is a legally separate entity that must be included in the reporting entity in conformity with generally accepted accounting principles. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments.

Furthermore, there are no component units combined with the District for financial statement presentation purposes, and the District is not included in any other governmental reporting entity. Consequently, the District's financial statements include only the funds of those organizational entities for which its elected governing board is financially accountable. The District's major operations include education, student transportation, construction and maintenance of District facilities, food services, bookstore, and athletic functions.

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

The economy of the District is primarily based on light manufacturing, retail trade, automobile sales and tourism, and is supplemented by government, medical, and health services. During the 2017-18 school year, the District had a total estimated actual property valuation of \$13,128,581,215, an increase of 2.28 percent over the previous year. The District expects the recent pattern of slight economic development and assessed valuations growth to continue in 2019. Arizona's property valuation system is based upon property valuations that are delayed approximately two years.

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

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

The District has 272 buildings containing approximately 2,515,716 square feet. Even with construction of new buildings over the last ten years, the average building age is 44 years old.

FACTORS AFFECTING FINANCIAL CONDITION

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

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

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

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

In addition, the Tucson area provides excellent educational and training opportunities through educational institutions such as the University of Arizona, the University of Phoenix, Pima Community College, and other providers of educational services, including Amphitheater Unified School District. For 124 years, Amphitheater Public Schools have contributed to the educational development of the residents of northwest Tucson. The District also recognizes the need for growth and diversification in the economy and continues to review its curriculum to prepare its students for the future economic opportunities that the region and the world will offer.

Long-term Financial Planning. Amphitheater Unified School District continues to experience slight declines in student populations despite new home construction in the northern end of the District and in Pima County. The District is working on an updated demographic study to better plan for future needs. The District expects new commercial property development to increase slightly during the 2018-19 fiscal year.

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

The funding of school building maintenance and school capital needs continues to be one of the most significant issues facing the school district. In addition, Arizona ranks in the bottom for per pupil expenditures in the nation. A recent Bureau of Labor Statistics report indicated that Arizona's average elementary teacher salary of \$42,730 is \$13,070 below the U.S. average of \$55,800. These fiscal pressures are driving the low teacher wages in the state and is significantly impacting the recruitment of teachers.

On November 8, 2016, the voters of Amphitheater Unified School District authorized a new \$58.0 million bond program. This bond program was designed to address facility maintenance and technology needs. These needs are the result of the Arizona Legislature cutting funding to schools for facility maintenance and other capital needs.

AWARDS AND ACKNOWLEDGMENTS

Awards. The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2017. This was the twenty-first consecutive year that the District has received this prestigious award. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2017. In order to be awarded these certificates, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

These certificates are valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the programs' requirements and we are submitting it to ASBO and GFOA to determine its eligibility for the fiscal year ended June 30, 2018 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,


Todd A. Jaeger, J.D.
Superintendent


Scott Little
Chief Financial Officer



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Amphitheater Unified School District No. 10

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2017.**

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



A handwritten signature in black ink, reading 'Charles E. Peterson, Jr.'.

Charles E. Peterson, Jr., SFO, RSBA, MBA
President

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

John D. Musso, CAE
Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

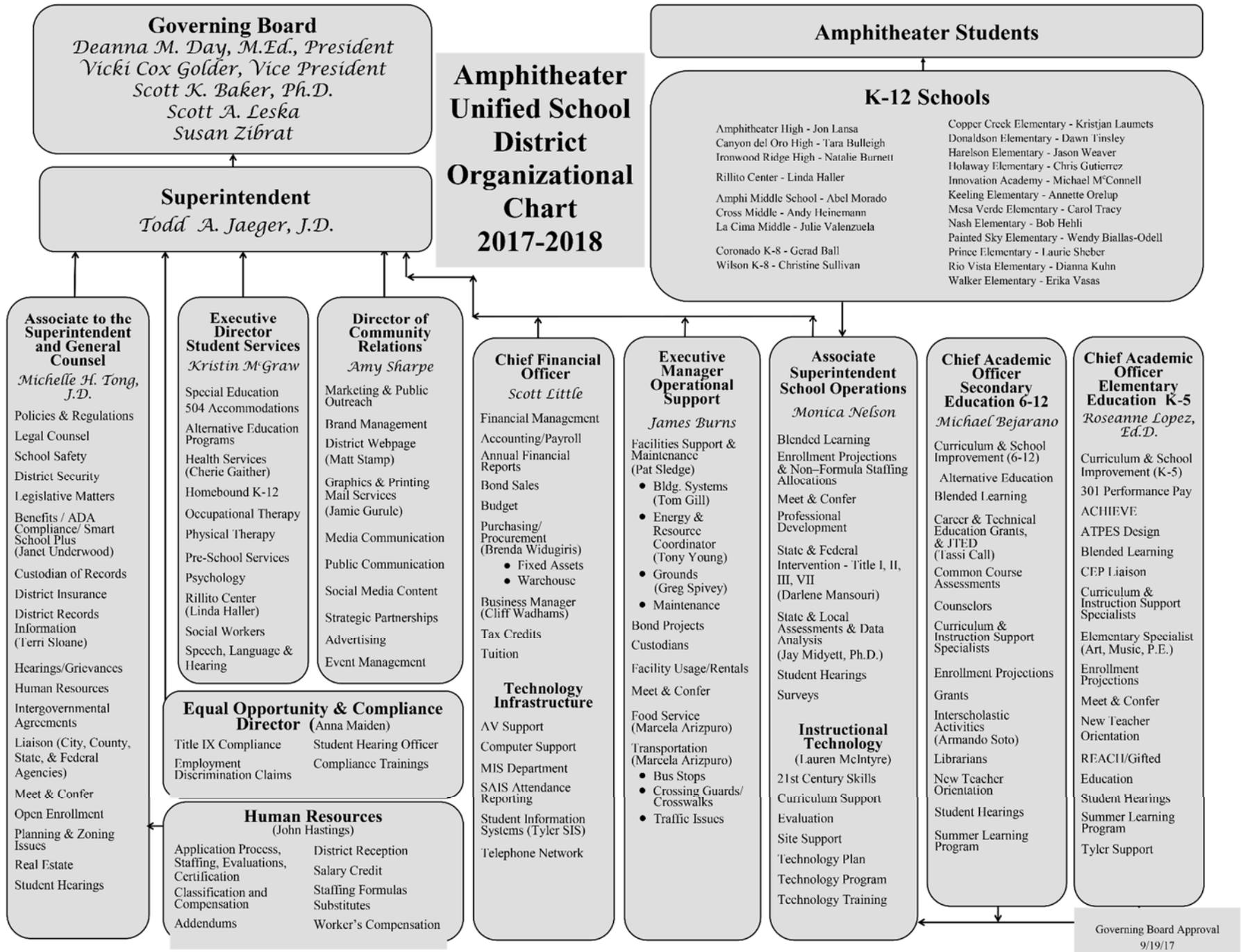
**Amphitheater Unified School
District No. 10, Arizona**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO



AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10

LIST OF PRINCIPAL OFFICIALS

GOVERNING BOARD

Deanna M. Day, M.Ed., President

Vickie Cox Golder, Vice President

Scott K. Baker, Ph.D., Member

Scott A. Leska, Member

Susan Zibrat, Member

ADMINISTRATIVE STAFF

Todd A. Jaeger, J.D., Superintendent

Monica Nelson, Associate Superintendent School Operations

Scott Little, Chief Financial Officer

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Governing Board
Amphitheater Unified School District No. 10

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Amphitheater Unified School District No. 10 (District), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Amphitheater Unified School District No. 10, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 1, the District implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for the year ended June 30, 2018, which represents a change in accounting principle. Our opinion is not modified with respect to this matter

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Introductory Section, Combining and Individual Fund Financial Statements and Schedules, and Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2019, on our consideration of Amphitheater Unified School District No. 10's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Amphitheater Unified School District No. 10's internal control over financial reporting and compliance.

Heinfeld, Meech & Co., P.C.

Heinfeld, Meech & Co., P.C.
Tucson, Arizona
February 27, 2019

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

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**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

As management of the Amphitheater Unified School District No. 10 (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2018. The management's discussion and analysis is presented as required supplementary information to supplement the basic financial statements. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

- The District's total net position of governmental activities increased \$14.0 million which represents a 25 percent increase from the prior fiscal year as a result of an increase in property tax revenues, capital grants, and unrestricted state aid, as well as a decrease in pension expense.
- General revenues accounted for \$108.5 million in revenue, or 80 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$26.4 million or 20 percent of total current fiscal year revenues.
- The District had approximately \$120.9 million in expenses related to governmental activities, a decrease of five percent from the prior fiscal year primarily related to a decrease in pension expense.
- Among major funds, the General Fund had \$90.9 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$88.0 million in expenditures. The General Fund's fund balance increase from \$11.6 million at the prior fiscal year end to \$13.9 million at the end of the current fiscal year was primarily due to an increase in property tax revenues.
- Net position for the Internal Service Funds decreased \$7,281 from the prior fiscal year. Operating expenses of \$474,776 exceeded operating revenues of \$462,683 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.

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

OVERVIEW OF FINANCIAL STATEMENTS

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

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

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

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

OVERVIEW OF FINANCIAL STATEMENTS

Proprietary funds. The District maintains one type of proprietary fund. The internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses its internal service funds to account for the operation of District functions that provide goods or services to other District departments on a cost reimbursement basis. Because these activities benefit the 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, the 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 and pension plan. 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. Schedules for the pension and other postemployment benefit plans have been provided as required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$70.7 million at the current fiscal year end.

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

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2018 and June 30, 2017.

	As of June 30, 2018	As of June 30, 2017
Current and other assets	\$ 43,170,115	\$ 55,129,562
Capital assets, net	224,650,475	221,102,041
Total assets	<u>267,820,590</u>	<u>276,231,603</u>
Deferred outflows	<u>14,691,312</u>	<u>21,815,434</u>
Current liabilities	4,156,746	7,865,644
Long-term liabilities	197,908,851	214,557,855
Total liabilities	<u>202,065,597</u>	<u>222,423,499</u>
Deferred inflows	<u>9,725,277</u>	<u>18,913,230</u>
Net position:		
Net investment in capital assets	145,290,583	138,984,123
Restricted	16,000,973	18,733,648
Unrestricted	(90,570,528)	(101,007,463)
Total net position	<u>\$ 70,721,028</u>	<u>\$ 56,710,308</u>

At the end of the current fiscal year the District reported a negative unrestricted net position of \$92.1 million as a result of an unfunded pension liability. Positive net position was reported in the other two categories. The same situation held true for the prior fiscal year.

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

- The principal retirement of \$11.6 million of bonds and \$793,519 million of bond premium.
- The addition of \$13.7 million in capital assets through land and school improvements and purchases of vehicles, furniture, and equipment.
- The decrease of \$4.3 million in pension liabilities.
- The disposal of \$4.7 million of land and school improvements, and vehicles, furniture, and equipment.
- An increase of \$9.8 million in accumulated depreciation as a result of current fiscal year depreciation expense.

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

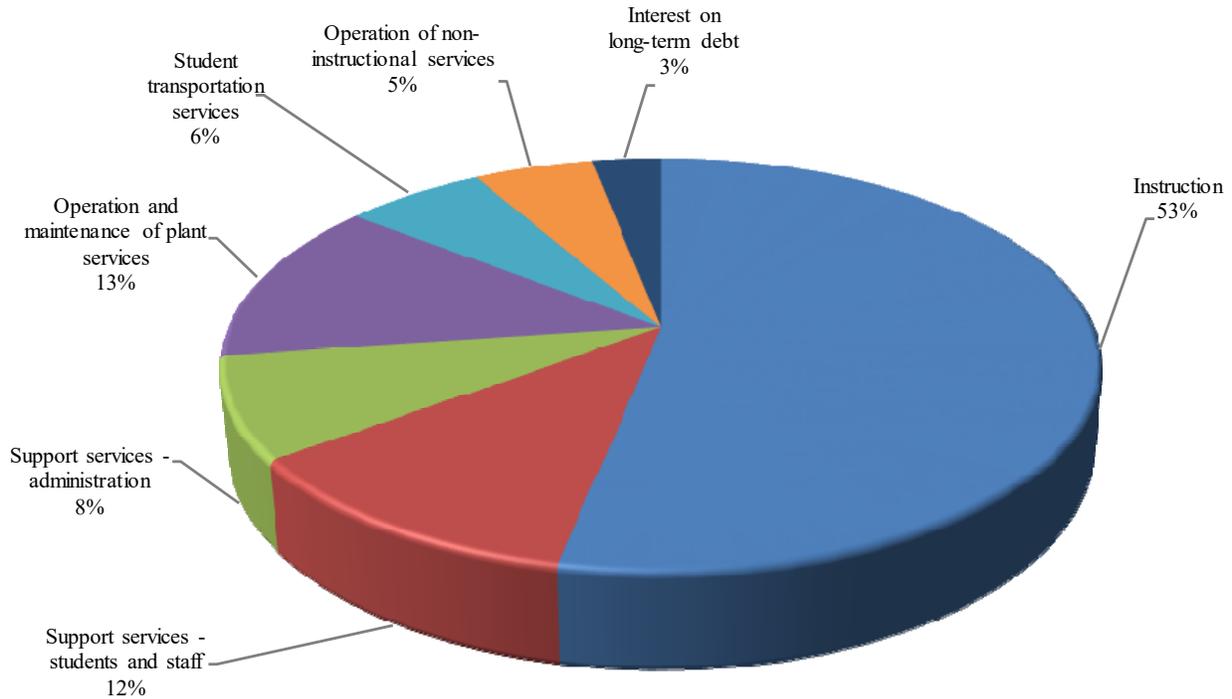
Changes in net position. The District's total revenues for the current fiscal year were \$134.9 million. The total cost of all programs and services was \$120.9 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2018 and June 30, 2017.

	Fiscal Year Ended June 30, 2018	Fiscal Year Ended June 30, 2017
Revenues:		
Program revenues:		
Charges for services	\$ 7,457,611	\$ 7,239,373
Operating grants and contributions	13,762,341	15,094,520
Capital grants and contributions	5,223,569	1,782,290
General revenues:		
Property taxes	70,954,347	66,800,313
Investment income	424,032	330,972
Unrestricted county aid	1,840,851	1,826,036
Unrestricted state aid	34,398,608	32,761,002
Unrestricted federal aid	859,543	718,070
Total revenues	134,920,902	126,552,576
Expenses:		
Instruction	64,280,137	68,509,202
Support services - students and staff	14,225,556	15,482,748
Support services - administration	9,542,890	9,425,874
Operation and maintenance of plant services	15,478,990	15,795,161
Student transportation services	7,459,805	7,206,382
Operation of non-instructional services	6,330,864	6,764,596
Interest on long-term debt	3,609,917	3,472,400
Total expenses	120,928,159	126,656,363
Changes in net position	13,992,743	(103,787)
Net position, beginning	56,728,285	56,814,095
Net position, ending	\$ 70,721,028	\$ 56,710,308

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Expenses - Fiscal Year 2018



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

- The increase in property tax revenues of \$4.2 million was due to a higher net full cash assessed valuation.
- The increase of \$3.4 million in capital grants and contributions was primarily due to an increase for capital projects from E-Rate funding.
- The increase in unrestricted state aid of \$1.6 million is primarily due to additional funding for equalization assistance and additional state aid.
- The decrease in instructional expenses of 4.2 million related to the decrease in pension liabilities.

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

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

	Year Ended June 30, 2018		Year Ended June 30, 2017	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 64,280,137	\$ (46,740,258)	\$ 68,509,202	\$ (54,381,955)
Support services - students and staff	14,225,556	(11,934,802)	15,482,748	(12,710,735)
Support services - administration	9,542,890	(9,436,776)	9,425,874	(8,855,611)
Operation and maintenance of plant services	15,478,990	(15,017,099)	15,795,161	(15,382,511)
Student transportation services	7,459,805	(7,429,705)	7,206,382	(7,073,005)
Operation of non-instructional services	6,330,864	(316,081)	6,764,596	(663,963)
Interest on long-term debt	3,609,917	(3,609,917)	3,472,400	(3,472,400)
Total	<u>\$ 120,928,159</u>	<u>\$ (94,484,638)</u>	<u>\$ 126,656,363</u>	<u>\$(102,540,180)</u>

- The cost of all governmental activities this year was \$120.9 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$26.4 million.
- Net cost of governmental activities of \$94.5 million was financed by general revenues, which are made up of primarily property taxes of \$71.0 million and state and county aid of \$36.2 million.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$34.2 million, a decrease of \$9.3 million due primarily to the utilization of prior year bond proceeds for the construction of a new school and various school improvement projects.

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The General Fund comprises 41 percent of the total fund balance. Approximately \$13.8 million, or 99 percent of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District. The increase in fund balance of \$2.3 million to \$13.9 million as of fiscal year end was the result of increased property tax revenues. General Fund revenues increased \$4.1 million as a result of the increase in property tax revenues due to a higher net full cash assessed valuation. General Fund expenditures decreased \$2.0 million.

The Debt Service Fund's fund balance decreased \$2.7 million to \$3.6 million at fiscal year end due to the utilization of beginning balances. Debt Service Fund revenues increased \$278,573 and expenditures decreased \$311,240.

The Bond Building Fund's fund balance decreased \$8.8 million to \$5.7 million at fiscal year end due to the utilization of prior year bond proceeds. Bond Building Fund revenues increased \$7,929 and expenditures decreased \$18.9 million due to the completion of construction of the new school.

Proprietary funds. Unrestricted net position of the Internal Service Funds at the end of the fiscal year amounted to \$602,191. The decrease of \$7,281 from the prior fiscal year was primarily due to increased cost of services.

BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the General Fund annual expenditure budget for changes in the budget limit requirements. The difference between the original budget and the final amended budget was a \$1.4 million decrease, or two percent.

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

- The favorable variance of \$1.5 million in instruction was a result of increased per pupil funding for 2017-18 and a planned increase in budget balance carryforward.
- The favorable variance of \$1.0 million in operation and maintenance of plant services was a result of the installation of the Dark Fiber network, vacancies in positions, and savings resulting from the Solar project's first full year of operation to the District.

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At year end, the District had invested \$337.4 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 \$8.9 million from the prior fiscal year, primarily due to land and school improvements, purchases of vehicles, furniture, and equipment, as well as the completion of a new school. Total depreciation expense for the current fiscal year was \$9.8 million.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2018 and June 30, 2017.

	As of June 30, 2018	As of June 30, 2017
Capital assets - non-depreciable	\$ 13,549,666	\$ 34,378,829
Capital assets - depreciable, net	211,100,809	186,723,212
Total	\$ 224,650,475	\$ 221,102,041

The estimated cost to complete current construction projects is \$5.3 million.

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

Debt Administration. At year end, the District had \$86.6 million in long-term debt outstanding, \$7.0 million due within one year. Long-term debt decreased by \$12.4 million due to debt payments.

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 net full cash assessed valuation) and the statutory debt limit on Class B bonds (the greater of 20 percent of the net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$462.6 million and the Class B debt limit is \$308.4 million, which are more than the District's total outstanding general obligation and Class B debt, respectively.

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

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

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 2018-19 budget. Among them:

- Fiscal year 2017-18 budget balance carry forward (estimated \$1.6 million).
- District student population (estimated 12,867).
- Employee salaries.

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

Budgeted expenditures in the General Fund increased five percent to \$92.2 million in fiscal year 2018-19. Increased payroll and employee benefit costs is the primary reason for the increase. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2018-19 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, Amphitheater Unified School District No. 10, 701 West Wetmore Road, Tucson, Arizona 85705-1547.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
STATEMENT OF NET POSITION
JUNE 30, 2018

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 27,373,839
Property taxes receivable	3,758,834
Accounts receivable	14,910
Due from governmental entities	11,477,062
Deposit held by others	100,138
Inventory	71,112
Total current assets	42,795,895
Noncurrent assets:	
Net other postemployment benefit assets	374,220
Capital assets not being depreciated	13,549,666
Capital assets, net of accumulated depreciation	211,100,809
Total noncurrent assets	225,024,695
Total assets	267,820,590
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred charge on refunding	1,513,960
Pension and other postemployment benefit plan items	13,177,352
Total deferred outflows of resources	14,691,312
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	1,079,153
Construction contracts payable	396,809
Accrued payroll and employee benefits	2,651,344
Compensated absences payable	1,842,485
Unearned revenues	29,440
Bonds payable	6,985,000
Total current liabilities	12,984,231
Noncurrent liabilities:	
Non-current portion of long-term obligations	189,081,366
Total noncurrent liabilities	189,081,366
Total liabilities	202,065,597
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Pension and other postemployment benefit plan items	9,725,277
<u>NET POSITION</u>	
Net investment in capital assets	145,290,583
Restricted for:	
Voter approved initiatives	3,637,198
Instructional purposes	1,317,330
Federal and state projects	863,514
Food service	1,182,675
Non-instructional purposes	2,035,401
Debt service	4,140,226
Capital outlay	2,824,629
Unrestricted	(90,570,528)
Total net position	\$ 70,721,028

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

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
Instruction	\$ 64,280,137	\$ 5,264,770	\$ 7,051,540	\$ 5,223,569	\$ (46,740,258)
Support services - students and staff	14,225,556	254,955	2,035,799		(11,934,802)
Support services - administration	9,542,890	2,468	103,646		(9,436,776)
Operation and maintenance of plant services	15,478,990	374,818	87,073		(15,017,099)
Student transportation services	7,459,805		30,100		(7,429,705)
Operation of non-instructional services	6,330,864	1,560,600	4,454,183		(316,081)
Interest on long-term debt	3,609,917				(3,609,917)
Total governmental activities	<u>\$ 120,928,159</u>	<u>\$ 7,457,611</u>	<u>\$ 13,762,341</u>	<u>\$ 5,223,569</u>	<u>(94,484,638)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	57,549,945
Property taxes, levied for debt service	12,766,951
Property taxes, levied for capital outlay	637,451
Investment income	424,032
Unrestricted county aid	1,840,851
Unrestricted state aid	34,398,608
Unrestricted federal aid	859,543

Total general revenues 108,477,381

Changes in net position 13,992,743

Net position, beginning of year, as restated 56,728,285

Net position, end of year \$ 70,721,028

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

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FUND FINANCIAL STATEMENTS

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2018

	General	Debt Service	Bond Building
<u>ASSETS</u>			
Cash and investments	\$ 5,647,584	\$ 4,158,629	\$ 6,358,846
Property taxes receivable	2,976,391	624,822	
Accounts receivable			
Due from governmental entities	8,775,758		
Due from other funds	2,164,508		
Deposit held by others			
Inventory	71,112		
Total assets	\$ 19,635,353	\$ 4,783,451	\$ 6,358,846
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES</u>			
<u>AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 786,947	\$	\$ 4,884
Construction contracts payable			396,809
Due to other funds	28,635	643,225	231,146
Accrued payroll and employee benefits	2,333,547		
Unearned revenues			
Total liabilities	3,149,129	643,225	632,839
Deferred inflows of resources:			
Unavailable revenues - property taxes	2,622,534	560,765	
Unavailable revenues - intergovernmental			
Total deferred inflows of resources	2,622,534	560,765	
Fund balances (deficits):			
Nonspendable	71,112		
Restricted		3,579,461	5,726,007
Unassigned	13,792,578		
Total fund balances	13,863,690	3,579,461	5,726,007
 Total liabilities, deferred inflows of resources and fund balances	 \$ 19,635,353	 \$ 4,783,451	 \$ 6,358,846

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 10,855,697	\$ 27,020,756
157,621	3,758,834
14,910	14,910
2,701,304	11,477,062
	2,164,508
100,138	100,138
	71,112
<u>\$ 13,829,670</u>	<u>\$ 44,607,320</u>

\$ 283,936	\$ 1,075,767
	396,809
1,341,133	2,244,139
314,414	2,647,961
29,440	29,440
<u>1,968,923</u>	<u>6,394,116</u>

145,312	3,328,611
731,291	731,291
<u>876,603</u>	<u>4,059,902</u>

	71,112
11,553,786	20,859,254
(569,642)	13,222,936
<u>10,984,144</u>	<u>34,153,302</u>

<u>\$ 13,829,670</u>	<u>\$ 44,607,320</u>
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**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2018**

Total governmental fund balances **\$ 34,153,302**

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

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

Governmental capital assets	\$ 336,864,354	
Less accumulated depreciation	<u>(112,390,125)</u>	224,474,229

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

Property taxes	3,328,611	
Intergovernmental	<u>731,291</u>	4,059,902

Deferred items related to the net cost of issuance of bonds are amortized over the life of the associated bond issue in the government-wide statements but not reported in the funds. 1,513,960

Deferred outflows and inflows of resources related to pensions/OPEB are applicable to future periods and, therefore, are not reported in the funds.

Deferred outflows of resources related to pensions/OPEB	13,177,352	
Deferred inflows of resources related to pensions/OPEB	<u>(9,725,277)</u>	3,452,075

The Net OPEB asset is not a current financial resource and, therefore, is not reported in the funds. 374,220

The Internal Service Fund is used by management to charge the cost of insurance to the individual funds. The assets and liabilities of the Internal Service Fund are included in the Statement of Net Position. 602,191

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

Compensated absences payable	(3,672,903)	
Net OPEB liability	(248,797)	
Net pension liability	(107,387,293)	
Bonds payable	<u>(86,599,858)</u>	<u>(197,908,851)</u>

Net position of governmental activities **\$ 70,721,028**

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

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018

	General	Debt Service	Bond Building
Revenues:			
Other local	\$ 5,765,157	\$ 322,865	\$ 108,096
Property taxes	57,212,899	12,735,678	
State aid and grants	27,092,037		
Federal aid, grants and reimbursements	859,543		
Total revenues	90,929,636	13,058,543	108,096
Expenditures:			
Current -			
Instruction	45,073,139		
Support services - students and staff	11,988,942		
Support services - administration	9,420,082		
Operation and maintenance of plant services	14,296,063		
Student transportation services	6,110,555		
Operation of non-instructional services	376,300		
Capital outlay	718,174		8,784,619
Debt service -			
Principal retirement		11,615,000	
Interest and fiscal charges		4,230,412	
Total expenditures	87,983,255	15,845,412	8,784,619
Excess (deficiency) of revenues over expenditures	2,946,381	(2,786,869)	(8,676,523)
Other financing sources (uses):			
Insurance recoveries	36,216		
Transfers in	383,432	108,040	
Transfers out			(108,040)
Total other financing sources (uses)	419,648	108,040	(108,040)
Changes in fund balances	3,366,029	(2,678,829)	(8,784,563)
Fund balances, beginning of year	11,586,311	6,258,290	14,510,570
Increase (decrease) in reserve for prepaid items	(1,101,507)		
Increase (decrease) in reserve for inventory	12,857		
Fund balances, end of year	\$ 13,863,690	\$ 3,579,461	\$ 5,726,007

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 5,323,600	\$ 11,519,718
635,809	70,584,386
9,316,853	36,408,890
14,891,518	15,751,061
<u>30,167,780</u>	<u>134,264,055</u>
13,771,297	58,844,436
2,642,404	14,631,346
141,799	9,561,881
157,555	14,453,618
37,155	6,147,710
5,291,334	5,667,634
7,827,614	17,330,407
	11,615,000
	4,230,412
<u>29,869,158</u>	<u>142,482,444</u>
<u>298,622</u>	<u>(8,218,389)</u>
	36,216
	491,472
<u>(383,432)</u>	<u>(491,472)</u>
<u>(383,432)</u>	<u>36,216</u>
<u>(84,810)</u>	<u>(8,182,173)</u>
11,068,954	43,424,125
	(1,101,507)
	12,857
<u>\$ 10,984,144</u>	<u>\$ 34,153,302</u>

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018**

Changes in fund balances - total governmental funds **\$ (8,182,173)**

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	\$ 13,658,687	
Less current year depreciation	<u>(9,713,777)</u>	3,944,910

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

Property taxes	369,961	
Intergovernmental	<u>245,858</u>	615,819

Repayments of bond principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 11,615,000

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

Current year pension/OPEB contributions	7,742,308	
Pension/OPEB expense	<u>(1,052,424)</u>	6,689,884

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

Prepaid items	(1,101,507)	
Inventory	12,857	
Loss on disposal of assets	(358,960)	
Amortization of deferred bond items	620,495	
Compensated absences	<u>143,699</u>	(683,416)

The Internal Service Fund is used by management to charge the cost of insurance to the individual funds. The changes in net position of the Internal Service Fund is reported with governmental activities in the Statement of Activities. (7,281)

Changes in net position in governmental activities **\$ 13,992,743**

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

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2018

	Governmental Activities: Internal Service Funds
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 353,083
Due from other funds	157,437
Total current assets	510,520
Noncurrent assets:	
Capital assets, net of accumulated depreciation	176,246
Total noncurrent assets	176,246
Total assets	686,766
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	3,386
Due to other funds	77,806
Accrued payroll and employee benefits	3,383
Total current liabilities	84,575
Total liabilities	84,575
<u>NET POSITION</u>	
Net investment in capital assets	176,246
Unrestricted	425,945
Total net position	\$ 602,191

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

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Governmental Activities: Internal Service Funds
Operating revenues:	
Charges for services	\$ 462,683
Total operating revenues	<u>462,683</u>
Operating expenses:	
Cost of services	437,260
Depreciation	37,516
Total operating expenses	<u>474,776</u>
Operating income (loss)	<u>(12,093)</u>
Nonoperating revenues (expenses):	
Investment income	4,812
Total nonoperating revenues (expenses)	<u>4,812</u>
Changes in net position	<u>(7,281)</u>
Total net position, beginning of year	609,472
Total net position, end of year	<u>\$ 602,191</u>

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

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Governmental Activities: Internal Service Funds
<u>Decrease in Cash and Cash Equivalents</u>	
Cash flows from operating activities:	
Cash received for services	\$ 396,678
Cash payments to employees for services	(150,707)
Cash payments to suppliers for goods and services	(294,121)
Net cash used for operating activities	<u>(48,150)</u>
Cash flows from investing activities:	
Investment income	4,812
Net cash provided by investing activities	<u>4,812</u>
Net decrease in cash and cash equivalents	<u>(43,338)</u>
Cash and cash equivalents, beginning of year	<u>396,421</u>
Cash and cash equivalents, end of year	<u><u>\$ 353,083</u></u>
<u>Reconciliation of Operating Loss to Net Cash Used for Operating Activities</u>	
Operating loss	\$ (12,093)
Adjustments to reconcile operating loss to net cash used for operating activities:	
Depreciation expense	37,516
Changes in assets and liabilities:	
Increase in due from other funds	(66,005)
Decrease in accounts payable	(8,781)
Increase in accrued payroll and employee benefits	1,213
Total adjustments	<u>(36,057)</u>
Net cash used for operating activities	<u><u>\$ (48,150)</u></u>

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

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2018

	<u>Agency</u>
<u>ASSETS</u>	
Cash and investments	\$ 3,457,157
Total assets	<u>\$ 3,457,157</u>
<u>LIABILITIES</u>	
Deposits held for others	\$ 2,799,915
Due to student groups	657,242
Total liabilities	<u>\$ 3,457,157</u>

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

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

During the year ended June 30, 2018, the District implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement requires governments providing defined benefit postemployment benefits other than pensions to recognize the long-term obligation for those benefits as a liability, and to more comprehensively and comparably measure the annual costs of those benefits. This Statement also enhances accountability and transparency through revised note disclosures and new required supplementary information. The more significant of the District's accounting policies are described below.

A. Reporting Entity

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

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

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

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

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Government-Wide and Fund Financial Statements

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

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

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

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

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

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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. Unearned revenues arise when resources are received by the District before it has legal claim to them, as when grant monies are received prior to meeting all eligibility requirements imposed by the provider.

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

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

The District reports the following major governmental funds:

General Fund – The General Fund is the District’s primary operating fund. It accounts for all resources used to finance District maintenance and operation except those required to be accounted for in other funds. The General Fund includes the District’s Maintenance and Operation Fund as well as certain activities budgeted in separate funds in accordance with A.R.S. These funds are maintained as separate funds for budgetary purposes but do not meet the criteria for separate reporting in the financial statements.

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.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Additionally, the District reports the following fund types:

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

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

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

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

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

D. Cash and Investments

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

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

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

E. Investment Income

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

F. Receivables and Payable

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

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

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

G. Property Tax Calendar

The County Treasurer is responsible for collecting property taxes for all governmental entities within the county. The county levies real and personal property taxes on or before the third Monday in August, that become due and payable in two equal installments. The first installment is due on the first day of October and becomes delinquent after the first business day of November. The second installment is due on the first day of March of the next year and becomes delinquent after the first business day of May.

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

H. Inventory

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

I. Prepaid Items

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

J. Capital Assets

Capital assets, which include land and improvements; buildings and improvements; vehicles, furniture, and 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. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

K. Deferred Outflows/Inflows of Resources

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

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

L. Compensated Absences

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

M. Pensions and Other Postemployment Benefits

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

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

N. Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities on the statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Deferred amounts on refunding result from the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

O. Interfund Activity

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

P. Net Position Flow Assumption

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

Q. Estimates

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

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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

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

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

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

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

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

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

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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

	General Fund	Debt Service Fund	Bond Building Fund	Non-Major Governmental Funds
Fund Balances:				
Nonspendable:				
Inventory	\$ 71,112	\$	\$	\$
Restricted:				
Debt service		3,579,461		
Capital projects				2,565,681
Bond building projects			5,726,007	
Voter approved initiatives				3,637,198
Federal and state projects				829,494
Food service				1,182,675
Instructional purposes				1,303,337
Noninstructional purposes				2,035,401
Unassigned	12,638,648			(569,642)
Total fund balances	\$ 12,709,760	\$ 3,579,461	\$ 5,726,007	\$ 10,984,144

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

	Deficit
Non-Major Governmental Funds:	
Title IV Grants	\$ 4,728
Special Education Grants	78,479
Other Federal Projects	56,983
Joint Technical Education	68,007
Building Renewal Grant	361,445

The deficits arose because of operations during the year and/or because of pending grant reimbursements. Additional revenues received in fiscal year 2018-19 are expected to eliminate the deficits.

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

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 4 – CASH AND INVESTMENTS

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure the District’s deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District’s deposits was \$6.8 million and the bank balance was \$10.8 million. At year end, \$3.8 million of the District’s deposits were covered by collateral held by the pledging financial institution’s trust department or agent but not in the District’s name.

Fair Value Measurements. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

- Level 1 inputs are quoted prices in active markets for identical assets
- Level 2 inputs are significant other observable inputs
- Level 3 inputs are significant unobservable inputs

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 as an investment company is not registered with the Securities and Exchange Commission. The activity and performance of the pools are reviewed monthly by the State Board of Investment. The fair value of each participant’s position in the State Treasurer investment pools approximates the value of the participant’s shares in the pool and the participants’ shares are not identified with specific investments. Participants in the pool are not required to categorize the value of shares in accordance with the fair value hierarchy.

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

At year end, the District’s investments consisted of the following:

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer’s investment pool	270 days	\$ 17,304,930
State Treasurer’s investment pool 7	33 days	6,709,511
Total		<u>\$ 24,014,441</u>

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 4 – CASH AND INVESTMENTS

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 State Treasurer’s investment pool 7 had a weighted average rating of AAA at year end as it was invested in obligations of the U.S. Government or obligations guaranteed by the U.S. Government.

Custodial Credit Risk – Investments. The District’s investment in the State and County Treasurer’s investment pools represents a proportionate interest in the pool’s portfolio; however, the District’s portion is not identified with specific investments and is not subject to custodial credit risk.

NOTE 5 – RECEIVABLES

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

	General Fund	Non-Major Governmental Funds
Due from other governmental entities:		
Due from federal government	\$ 100,788	\$ 1,224,348
Due from state government	8,608,431	1,394,956
Due from county government	38,910	
Due from other districts	27,629	82,000
Net due from governmental entities	\$ 8,775,758	\$ 2,701,304

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 6 – CAPITAL ASSETS

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

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 11,808,261	\$ 254,162	\$	\$ 12,062,423
Construction in progress	22,570,568	2,802,651	23,885,976	1,487,243
Total capital assets, not being depreciated	<u>34,378,829</u>	<u>3,056,813</u>	<u>23,885,976</u>	<u>13,549,666</u>
Capital assets, being depreciated:				
Land improvements	27,499,471	1,773,033	421,583	28,850,921
Buildings and improvements	237,876,948	26,659,282	3,180,441	261,355,789
Vehicles, furniture and equipment	28,730,926	6,055,535	1,117,536	33,668,925
Total capital assets being depreciated	<u>294,107,345</u>	<u>34,487,850</u>	<u>4,719,560</u>	<u>323,875,635</u>
Less accumulated depreciation for:				
Land improvements	(17,252,161)	(565,570)	(412,757)	(17,404,974)
Buildings and improvements	(77,495,634)	(6,913,632)	(3,100,516)	(81,308,750)
Vehicles, furniture and equipment	(12,636,338)	(2,272,091)	(847,327)	(14,061,102)
Total accumulated depreciation	<u>(107,384,133)</u>	<u>(9,751,293)</u>	<u>(4,360,600)</u>	<u>(112,774,826)</u>
Total capital assets, being depreciated, net	<u>186,723,212</u>	<u>24,736,557</u>	<u>358,960</u>	<u>211,100,809</u>
Governmental activities capital assets, net	<u>\$ 221,102,041</u>	<u>\$ 27,793,370</u>	<u>\$ 24,244,936</u>	<u>\$ 224,650,475</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 7,365,097
Support services – students and staff	390,917
Support services – administration	132,418
Operation and maintenance of plant services	214,282
Student transportation services	990,977
Operation of non-instructional services	657,602
Total depreciation expense – governmental activities	<u>\$ 9,751,293</u>

Construction Commitments – At year end, the District had contractual commitments related to various capital projects for various buildings and improvement projects. At year end, the District had spent \$1.5 million on the projects and had estimated remaining contractual commitments of \$5.3 million. These projects are being funded with bond proceeds.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 7 – GENERAL OBLIGATION BONDS PAYABLE

Bonds payable at year end consisted of the following outstanding general obligation bonds. Of the total amount originally authorized, \$43.7 million remained unissued. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt.

Purpose	Original Amount Issued	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2018	Due Within One Year
Governmental activities:					
School Improvement Bonds, Project of 2007, Series B	\$ 29,000,000	4.00%	7/1/19	\$ 1,400,000	\$ 1,400,000
School Improvement Bonds, Project of 2007, Series C	50,000,000	4.00-5.00%	7/1/19-27	22,735,000	2,750,000
School Improvement Bonds, Project of 2007, Series D	41,000,000	3.00-5.00%	7/1/19-27	24,065,000	2,360,000
School Improvement Bonds, Project of 2016, Series A	14,300,000	3.50-5.00%	7/1/29-36	4,670,000	
Refunding Bonds, Series 2017	27,290,000	2.00-5.00%	7/1/19-27	26,985,000	475,000
Total				<u>\$ 79,855,000</u>	<u>\$ 6,985,000</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
2019	\$ 6,985,000	\$ 3,713,313
2020	7,230,000	3,467,013
2021	7,545,000	3,155,263
2022	7,875,000	2,819,200
2023	8,240,000	2,450,250
2024-28	37,310,000	5,650,625
2029-33	2,375,000	737,225
2034-37	2,295,000	176,888
Total	<u>\$ 79,855,000</u>	<u>\$ 22,169,777</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, \$29.2 million of defeased bonds are still outstanding.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

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:					
General obligation bonds	\$ 91,470,000	\$	\$ 11,615,000	\$ 79,855,000	\$ 6,985,000
Premium	7,538,377		793,519	6,744,858	
Total bonds payable	<u>99,008,377</u>		<u>12,408,519</u>	<u>86,599,858</u>	<u>6,985,000</u>
Net OPEB liability	246,660	2,137		248,797	
Net pension liability	111,732,876		4,345,583	107,387,293	
Compensated absences payable	<u>3,816,602</u>	<u>1,834,706</u>	<u>1,978,405</u>	<u>3,672,903</u>	<u>1,842,485</u>
Governmental activity long-term liabilities	<u>\$ 214,804,515</u>	<u>\$ 1,836,843</u>	<u>\$ 18,732,507</u>	<u>\$ 197,908,851</u>	<u>\$ 8,827,485</u>

NOTE 9 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At year end, interfund balances were as follows:

Due to/from other funds:

	General Fund	Internal Service Funds	Total Due to Other Funds
General Fund	\$	\$ 28,635	\$ 28,635
Debt Service Fund	643,225		643,225
Bond Building Fund	231,146		231,146
Non-Major Governmental Funds	<u>1,290,137</u>	<u>50,996</u>	<u>1,341,133</u>
Total Due from Other Funds	<u>\$ 2,164,508</u>	<u>\$ 79,631</u>	<u>\$ 2,244,139</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 other funds. Additionally, at year end several funds owed balances to the Internal Services Funds for goods and services provided during the fiscal year. All interfund balances are expected to be paid within one year.

Interfund transfers – Transfers between funds were used to (1) move investment income of \$108,040 earned in the Bond Building Fund that is required by statute to be expended in the Debt Service Fund and (2) to move federal grant funds of \$383,432 restricted for indirect costs.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 10 – CONTINGENT LIABILITIES

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

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

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

NOTE 11 – RISK MANAGEMENT

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

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

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

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 11 – RISK MANAGEMENT

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

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

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

Aggregate Amounts. At June 30, 2018, the District reported the following aggregate amounts related to pensions and OPEB for all plans to which it contributes:

	Pension	OPEB
Net assets	\$	\$ (374,220)
Net liability	107,387,293	248,797
Deferred outflows of resources	12,773,406	403,946
Deferred inflows of resources	9,266,209	459,068
Expense	700,802	351,622
Contributions	7,338,362	403,946

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

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

*With actuarially reduced benefits

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

Retired and disabled members, with at least five years of credited service, are eligible to receive health insurance premium benefits. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with 10 or more years of service, benefits range from \$150 per month to \$260 per month depending on the age of the member and dependents. For members with five to nine years of service, the benefits are the same dollar amounts as above multiplied by a vesting fraction based on completed years of service.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Active members are eligible for a long-term disability benefit in the event they become unable to perform their work. The monthly benefit is equal to two-thirds of their monthly earnings. Members receiving benefits continue to earn service credit up to their normal retirement dates. Members with long-term disability commencement dates after June 30, 1999 are limited to 30 years of service or the service on record as of the effective disability date, if their service is greater than 30 years.

Contributions. In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.50 percent (11.34 percent for retirement and 0.16 percent for long-term disability) of the members’ annual covered payroll, and the District was required by statute to contribute at the actuarially determined rate of 11.50 percent (10.90 percent for retirement, 0.44 percent for health insurance premium benefit, and 0.16 percent for long-term disability) of the active members’ annual covered payroll. The District’s contributions for the year ended June 30, 2018 were as follows:

	Contributions
Pension	\$ 7,338,362
Health Insurance Premium	296,227
Long-Term Disability	107,719

Employers are also required to pay an Alternate Contribution Rate (ACR), for retired members who return to work in positions that would typically be filled by an employee who contributes to ASRS. The District was required by statute to contribute at the actuarially determined rate of 9.49 percent (9.26 for retirement, 0.10 percent for health insurance premium benefit, and 0.13 percent for long-term disability). ACR contributions are included in employer contributions presented above.

The District’s pension and OPEB contributions are paid by the same funds as the employee’s salary, with the largest component coming from the General Fund.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Pension and OPEB Assets/Liability. The net pension and OPEB assets/liability were measured as of June 30, 2017. The total liability used to calculate the net asset or net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2016, to the measurement date of June 30, 2017. The District's proportion of the net assets/liability was based on the District's actual contributions to the applicable plan relative to the total of all participating employers' contributions to the plan for the year ended June 30, 2017.

At June 30, 2018, the District reported the following amounts for its proportionate share of the ASRS plans net assets/liability. In addition, at June 30, 2017, the District's percentage proportion for each plan and the related change from its proportion measured as of June 30, 2016 was:

	Net <u>(Assets) Liability</u>	District <u>% Proportion</u>	Increase <u>(Decrease)</u>
Pension	\$ 107,387,293	0.689	(0.003)
Health Insurance Premium	(374,220)	0.687	
Long-Term Disability	248,797	0.686	

Pension/OPEB Expense and Deferred Outflows/Inflows of Resources. The District has deferred outflows and inflows of resources related to the net pension and OPEB assets/liabilities. Certain changes in the net pension and OPEB assets/liability are recognized as pension and OPEB expense over a period of time rather than the year of occurrence. For the year ended June 30, 2018, the District recognized pension and OPEB expense as follows:

	<u>Expense</u>
Pension	\$ 700,802
Health Insurance Premium	218,882
Long-Term Disability	132,740

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

The District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Deferred Outflows of Resources		
	Pension	Health Insurance Premium	Long-Term Disability
	\$	\$	\$
Changes of assumptions or other inputs	4,664,077		
Net difference between projected and actual earnings on pension investments	770,967		
Contributions subsequent to the measurement date	7,338,362	296,227	107,719
Total	\$ 12,773,406	\$ 296,227	\$ 107,719
	Deferred Inflows of Resources		
	Pension	Health Insurance Premium	Long-Term Disability
Differences between expected and actual experience	\$ 3,220,065		
Changes of assumptions or other inputs	3,211,073		
Net difference between projected and actual earnings on pension investments		421,357	37,217
Changes in proportion and differences between contributions and proportionate share of contributions	2,835,071	457	37
Total	\$ 9,266,209	\$ 421,814	\$ 37,254

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

The amounts of deferred outflows of resources resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as an adjustment of the net pension and OPEB assets/liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be recognized in pension and OPEB expense as follows:

Year Ending June 30:	Pension	Health Insurance Premium	Long-Term Disability
2019	\$ (6,576,708)	\$ (105,433)	\$ (9,309)
2020	3,929,902	(105,433)	(9,309)
2021	1,285,870	(105,433)	(9,309)
2022	(2,470,228)	(105,433)	(9,309)
2023		(81)	(5)
Thereafter			(12)

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

	Pension	OPEB
Actuarial valuation date	June 30, 2016	June 30, 2016
Actuarial roll forward date	June 30, 2017	June 30, 2017
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return	8.0%	8.0%
Projected salary increases	3.0-6.75%	Not applicable
Inflation	3.0%	3.0%
Permanent base increases	Included	Not applicable
Mortality rates	1994 GAM Scale BB	1994 GAM Scale BB
Healthcare cost trend rate	Not applicable	Not applicable

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2012. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2013, actuarial valuation. The study did not include an analysis of the assumed investment rate of return.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

The long-term expected rate of return on ASRS plan investments was determined to be 8.70 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	58%	6.73%
Fixed income	25	3.70
Real estate	10	4.25
Multi-asset	5	3.41
Commodities	2	3.84
Total	100%	

Discount Rate. The discount rate used to measure the ASRS total pension and OPEB liability was 8.0 percent, which is less than the long-term expected rate of return of 8.70 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board’s funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plans’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension and OPEB liability.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

	Proportionate share of the net (assets) liability		
	Current		
	1% Decrease	Discount Rate	1% Increase
Rate	7.0%	8.0%	9.0%
Pension	\$ 137,833,456	\$ 107,387,293	\$ 81,946,916
Health Insurance Premium	621,472	(374,220)	(1,220,390)
Long-Term Disability	297,499	248,797	207,504

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

Beginning Net Position Restatement. The implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, represents a change in accounting principle. Net position as of July 1, 2017, has been restated as follows for this change in accounting principle:

	Statement of Activities
Net position, June 30, 2017, as previously reported	\$ 56,710,308
Net OPEB asset	171,288
Net OPEB liability	(153,311)
Net position, July 1, 2017, as restated	\$ 56,728,285

REQUIRED SUPPLEMENTARY INFORMATION

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other local	\$	\$	\$ 3,589,272	\$ 3,589,272
Property taxes			57,212,899	57,212,899
State aid and grants			27,092,037	27,092,037
Total revenues			<u>87,894,208</u>	<u>87,894,208</u>
Expenditures:				
Current -				
Instruction	44,908,931	43,788,092	42,294,408	1,493,684
Support services - students and staff	11,768,937	11,541,677	11,783,869	(242,192)
Support services - administration	9,005,178	9,098,835	9,052,474	46,361
Operation and maintenance of plant services	16,091,226	16,087,526	15,042,233	1,045,293
Student transportation services	6,585,100	6,585,100	6,084,037	501,063
Operation of non-instructional services	393,880	267,000	371,979	(104,979)
Total expenditures	<u>88,753,252</u>	<u>87,368,230</u>	<u>84,629,000</u>	<u>2,739,230</u>
Changes in fund balances	<u>(88,753,252)</u>	<u>(87,368,230)</u>	<u>3,265,208</u>	<u>90,633,438</u>
Fund balances, beginning of year			5,509,940	5,509,940
Increase (decrease) in reserve for prepaid items			52,423	52,423
Increase (decrease) in reserve for inventory			12,857	12,857
Fund balances (deficits), end of year	<u>\$ (88,753,252)</u>	<u>\$ (87,368,230)</u>	<u>\$ 8,840,428</u>	<u>\$ 96,208,658</u>

See accompanying notes to this schedule.

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
ARIZONA STATE RETIREMENT SYSTEM
LAST FOUR FISCAL YEARS**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Measurement date	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension (assets) liability	0.69%	0.69%	0.73%	0.75%
District's proportionate share of the net pension (assets) liability	\$ 107,387,293	\$ 111,732,876	\$ 113,705,493	\$ 110,471,045
District's covered payroll	\$ 67,330,519	\$ 64,789,198	\$ 67,115,060	\$ 67,168,533
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	159.49%	172.46%	169.42%	164.47%
Plan fiduciary net position as a percentage of the total pension liability	69.92%	67.06%	68.35%	69.49%

**SCHEDULE OF PENSION CONTRIBUTIONS
ARIZONA STATE RETIREMENT SYSTEM
LAST FOUR FISCAL YEARS**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 7,338,362	\$ 7,258,230	\$ 7,029,628	\$ 7,308,830
Contributions in relation to the actuarially determined contribution	<u>7,338,362</u>	<u>7,258,230</u>	<u>7,029,628</u>	<u>7,308,830</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 67,324,422	\$ 67,330,519	\$ 64,789,198	\$ 67,115,060
Contributions as a percentage of covered payroll	10.90%	10.78%	10.85%	10.89%

NOTE: The pension and OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

See accompanying notes to this schedule.

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
ARIZONA STATE RETIREMENT SYSTEM - HEALTH INSURANCE PREMIUM
JUNE 30, 2018**

2018

Measurement date	June 30, 2017
District's proportion of the net OPEB (assets) liability	0.69%
District's proportionate share of the net OPEB (assets) liability	\$ (374,220)
District's covered payroll	\$ 67,330,519
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	(0.56)%
Plan fiduciary net position as a percentage of the total OPEB liability	103.57%

**SCHEDULE OF OPEB CONTRIBUTIONS
ARIZONA STATE RETIREMENT SYSTEM - HEALTH INSURANCE PREMIUM
JUNE 30, 2018**

2018

Actuarially determined contribution	\$ 296,227
Contributions in relation to the actuarially determined contribution	<u>296,227</u>
Contribution deficiency (excess)	<u><u>\$</u></u>
District's covered payroll	\$ 67,324,422
Contributions as a percentage of covered payroll	0.44%

NOTE: The pension and OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

See accompanying notes to this schedule.

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
ARIZONA STATE RETIREMENT SYSTEM - LONG-TERM DISABILITY
JUNE 30, 2018**

2018

Measurement date	June 30, 2017
District's proportion of the net OPEB (assets) liability	0.69%
District's proportionate share of the net OPEB (assets) liability	\$ 248,797
District's covered payroll	\$ 67,330,519
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	0.37%
Plan fiduciary net position as a percentage of the total OPEB liability	84.44%

**SCHEDULE OF OPEB CONTRIBUTIONS
ARIZONA STATE RETIREMENT SYSTEM - LONG-TERM DISABILITY
JUNE 30, 2018**

2018

Actuarially determined contribution	\$ 107,719
Contributions in relation to the actuarially determined contribution	<u>107,719</u>
Contribution deficiency (excess)	<u><u>\$</u></u>
District's covered payroll	\$ 67,324,422
Contributions as a percentage of covered payroll	0.16%

NOTE: The pension and OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

See accompanying notes to this schedule.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2018

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

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

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

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

	Total Expenditures	Fund Balances End of Year
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	\$ 87,983,255	\$ 13,863,690
Activity budgeted as special revenue funds	(4,375,185)	(5,019,168)
Activity budgeted as capital projects funds	(133,000)	(4,094)
Current-year prepaid items	1,153,930	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	\$ 84,629,000	\$ 8,840,428

NOTE 2 – PENSION AND OPEB PLAN SCHEDULES

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

Factors that Affect Trends. The actuarial assumptions used in the June 30, 2016, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2012. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2013, actuarial valuation. The study did not include an analysis of the assumed investment rate of return.

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

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GOVERNMENTAL FUNDS

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2018

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<u>ASSETS</u>			
Cash and investments	\$ 8,353,842	\$ 2,501,855	\$ 10,855,697
Property taxes receivable		157,621	157,621
Accounts receivable	14,910		14,910
Due from governmental entities	2,117,256	584,048	2,701,304
Deposit held by others	100,138		100,138
Total assets	<u><u>\$ 10,586,146</u></u>	<u><u>\$ 3,243,524</u></u>	<u><u>\$ 13,829,670</u></u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 215,771	\$ 68,165	\$ 283,936
Due to other funds	990,403	350,730	1,341,133
Accrued payroll and employee benefits	314,414		314,414
Unearned revenues	29,440		29,440
Total liabilities	<u>1,550,028</u>	<u>418,895</u>	<u>1,968,923</u>
Deferred inflows of resources:			
Unavailable revenues - property taxes		145,312	145,312
Unavailable revenues - intergovernmental	256,210	475,081	731,291
Total deferred inflows of resources	<u>256,210</u>	<u>620,393</u>	<u>876,603</u>
Fund balances (deficits):			
Restricted	8,988,105	2,565,681	11,553,786
Unassigned	(208,197)	(361,445)	(569,642)
Total fund balances	<u>8,779,908</u>	<u>2,204,236</u>	<u>10,984,144</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u><u>\$ 10,586,146</u></u>	 <u><u>\$ 3,243,524</u></u>	 <u><u>\$ 13,829,670</u></u>

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
YEAR ENDED JUNE 30, 2018

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:			
Other local	\$ 4,873,914	\$ 449,686	\$ 5,323,600
Property taxes		635,809	635,809
State aid and grants	8,017,052	1,299,801	9,316,853
Federal aid, grants and reimbursements	14,891,518		14,891,518
Total revenues	<u>27,782,484</u>	<u>2,385,296</u>	<u>30,167,780</u>
Expenditures:			
Current -			
Instruction	13,771,297		13,771,297
Support services - students and staff	2,642,404		2,642,404
Support services - administration	141,799		141,799
Operation and maintenance of plant services	157,555		157,555
Student transportation services	37,155		37,155
Operation of non-instructional services	5,291,334		5,291,334
Capital outlay	3,953,071	3,874,543	7,827,614
Total expenditures	<u>25,994,615</u>	<u>3,874,543</u>	<u>29,869,158</u>
Excess (deficiency) of revenues over expenditures	<u>1,787,869</u>	<u>(1,489,247)</u>	<u>298,622</u>
Other financing sources (uses):			
Transfers out	(383,432)		(383,432)
Total other financing sources (uses)	<u>(383,432)</u>		<u>(383,432)</u>
Changes in fund balances	<u>1,404,437</u>	<u>(1,489,247)</u>	<u>(84,810)</u>
Fund balances, beginning of year	7,375,471	3,693,483	11,068,954
Fund balances, end of year	<u>\$ 8,779,908</u>	<u>\$ 2,204,236</u>	<u>\$ 10,984,144</u>

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

College Credit Exam Incentives - to account for financial assistance received for college credit exams.

Results-based Funding - to account for financial assistance received for academic performance results in accordance with A.R.S. §15-249.08.

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

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

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

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

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

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

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

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

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

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

School Opening - to account for monies transferred in from the Maintenance and Operation Fund to be expended for maintenance and operation purposes incurred in the first year of operation of a new school within the District.

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 received from federal projects for administrative costs.

SPECIAL REVENUE FUNDS

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

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

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

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

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**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018**

	Classroom Site	Instructional Improvement	Title I Grants
<u>ASSETS</u>			
Cash and investments	\$ 2,988,485	\$	\$ 939
Accounts receivable			
Due from governmental entities	531,010	257,766	636,776
Deposit held by others			
Total assets	\$ 3,519,495	\$ 257,766	\$ 637,715
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$ 141,005
Due to other funds		116,373	432,331
Accrued payroll and employee benefits		23,690	64,379
Unearned revenues			
Total liabilities	\$	140,063	637,715
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Restricted	3,519,495	117,703	
Unassigned			
Total fund balances	3,519,495	117,703	
 Total liabilities, deferred inflows of resources and fund balances	 \$ 3,519,495	 \$ 257,766	 \$ 637,715

<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English and Immigrant Students</u>	<u>Indian Education</u>	<u>Special Education Grants</u>	<u>Johnson O'Malley</u>
\$ 3,894	\$	\$	\$ 2,449	\$	\$ 100
2,460	36,996	21,416		345,706	
<u>\$ 6,354</u>	<u>\$ 36,996</u>	<u>\$ 21,416</u>	<u>\$ 2,449</u>	<u>\$ 345,706</u>	<u>\$ 100</u>
\$ 6,354	\$ 36,996	\$ 9,037 12,379	\$ 2,449	\$ 258,320 87,386	\$ 25
<u>6,354</u>	<u>36,996</u>	<u>21,416</u>	<u>2,449</u>	<u>345,706</u>	<u>75</u> <u>100</u>
	<u>4,728</u>			<u>78,479</u>	
	<u>(4,728)</u>			<u>(78,479)</u>	
	<u>(4,728)</u>			<u>(78,479)</u>	
<u>\$ 6,354</u>	<u>\$ 36,996</u>	<u>\$ 21,416</u>	<u>\$ 2,449</u>	<u>\$ 345,706</u>	<u>\$ 100</u>

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018

	Vocational Education	E-Rate	Other Federal Projects
<u>ASSETS</u>			
Cash and investments	\$	\$ 468,830	\$
Accounts receivable			
Due from governmental entities	15,919	82,380	63,953
Deposit held by others			
Total assets	\$ 15,919	\$ 551,210	\$ 63,953
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 3,119	\$	\$ 11,598
Due to other funds	12,800		42,945
Accrued payroll and employee benefits			9,410
Unearned revenues			
Total liabilities	15,919		63,953
Deferred inflows of resources:			
Unavailable revenues - intergovernmental		34,020	56,983
Fund balances (deficits):			
Restricted		517,190	
Unassigned			(56,983)
Total fund balances		517,190	(56,983)
 Total liabilities, deferred inflows of resources and fund balances	\$ 15,919	\$ 551,210	\$ 63,953

<u>State Vocational Education</u>	<u>College Credit Exam Incentives</u>	<u>Results-based Funding</u>	<u>Other State Projects</u>	<u>Food Service</u>	<u>Civic Center</u>
\$	\$ 82,178	\$ 260,541	\$ 31,740	\$ 1,122,827	\$ 466,980
22,132				18,742	14,910
				100,138	
<u>\$ 22,132</u>	<u>\$ 82,178</u>	<u>\$ 260,541</u>	<u>\$ 31,740</u>	<u>\$ 1,241,707</u>	<u>\$ 481,890</u>
\$	\$	\$	\$	\$ 19,627	\$ 9,318
22,132				856	
	30,415		2,375	38,549	2,917
			29,365		
<u>22,132</u>	<u>30,415</u>		<u>31,740</u>	<u>59,032</u>	<u>12,235</u>
	51,763	260,541		1,182,675	469,655
	<u>51,763</u>	<u>260,541</u>		<u>1,182,675</u>	<u>469,655</u>
<u>\$ 22,132</u>	<u>\$ 82,178</u>	<u>\$ 260,541</u>	<u>\$ 31,740</u>	<u>\$ 1,241,707</u>	<u>\$ 481,890</u>

(Continued)

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018**

	Community School	Extracurricular Activities Fees Tax Credit	Gifts and Donations
<u>ASSETS</u>			
Cash and investments	\$ 379,411	\$ 944,282	\$ 1,476,429
Accounts receivable			
Due from governmental entities			
Deposit held by others			
Total assets	\$ 379,411	\$ 944,282	\$ 1,476,429
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$ 10,650
Due to other funds			710
Accrued payroll and employee benefits	33,516		8,620
Unearned revenues			
Total liabilities	33,516		19,980
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Restricted	345,895	944,282	1,456,449
Unassigned			
Total fund balances	345,895	944,282	1,456,449
Total liabilities, deferred inflows of resources and fund balances	\$ 379,411	\$ 944,282	\$ 1,476,429

<u>Fingerprint</u>	<u>Textbooks</u>	<u>Insurance Refund</u>	<u>Grants and Gifts to Teachers</u>	<u>Joint Technical Education</u>	<u>Intergovernmental Agreements</u>
\$ 2,892	\$ 57,756	\$ 23,037	\$ 13,160	\$ 2,300	\$ 25,612
				82,000	
<u>\$ 2,892</u>	<u>\$ 57,756</u>	<u>\$ 23,037</u>	<u>\$ 13,160</u>	<u>\$ 84,300</u>	<u>\$ 25,612</u>
\$	\$	\$	\$	\$ 5,063	\$
				52,087	
				13,157	
				<u>70,307</u>	
				82,000	
2,892	57,756	23,037	13,160	(68,007)	25,612
<u>2,892</u>	<u>57,756</u>	<u>23,037</u>	<u>13,160</u>	<u>(68,007)</u>	<u>25,612</u>
<u>\$ 2,892</u>	<u>\$ 57,756</u>	<u>\$ 23,037</u>	<u>\$ 13,160</u>	<u>\$ 84,300</u>	<u>\$ 25,612</u>

(Continued)

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018**

	Totals
<u>ASSETS</u>	
Cash and investments	\$ 8,353,842
Accounts receivable	14,910
Due from governmental entities	2,117,256
Deposit held by others	100,138
Total assets	\$ 10,586,146
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>	
Liabilities:	
Accounts payable	\$ 215,771
Due to other funds	990,403
Accrued payroll and employee benefits	314,414
Unearned revenues	29,440
Total liabilities	1,550,028
Deferred inflows of resources:	
Unavailable revenues - intergovernmental	256,210
Fund balances (deficits):	
Restricted	8,988,105
Unassigned	(208,197)
Total fund balances	8,779,908
 Total liabilities, deferred inflows of resources and fund balances	 \$ 10,586,146

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AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Classroom Site	Instructional Improvement	Title I Grants
Revenues:			
Other local	\$ 30,803	\$ 2,329	\$
State aid and grants	6,372,120	598,862	
Federal aid, grants and reimbursements			3,682,536
Total revenues	6,402,923	601,191	3,682,536
Expenditures:			
Current -			
Instruction	5,819,566	224,247	1,886,439
Support services - students and staff	81,466	376,944	967,651
Support services - administration			90,681
Operation and maintenance of plant services			769
Student transportation services			14,069
Operation of non-instructional services			
Capital outlay			640,792
Total expenditures	5,901,032	601,191	3,600,401
Excess (deficiency) of revenues over expenditures	501,891		82,135
Other financing sources (uses):			
Transfers out			(82,135)
Total other financing sources (uses)			(82,135)
Changes in fund balances	501,891		
Fund balances, beginning of year	3,017,604	117,703	
Fund balances (deficits), end of year	\$ 3,519,495	\$ 117,703	\$

<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English and Immigrant Students</u>	<u>Indian Education</u>	<u>Special Education Grants</u>	<u>Johnson O'Malley</u>
\$	\$	\$	\$	\$	\$
<u>299,575</u>	<u>32,271</u>	<u>198,027</u>	<u>14,421</u>	<u>2,676,906</u>	<u>18,739</u>
<u>299,575</u>	<u>32,271</u>	<u>198,027</u>	<u>14,421</u>	<u>2,676,906</u>	<u>18,739</u>
294,112	4,011	131,041	9,889	2,653,715	15,515
		51,079	3,550	3,127	471
		1,713			2,753
			500		
	<u>32,988</u>	<u>11,500</u>		<u>6,392</u>	
<u>294,112</u>	<u>36,999</u>	<u>195,333</u>	<u>13,939</u>	<u>2,663,234</u>	<u>18,739</u>
<u>5,463</u>	<u>(4,728)</u>	<u>2,694</u>	<u>482</u>	<u>13,672</u>	
<u>(5,463)</u>		<u>(2,694)</u>	<u>(482)</u>	<u>(92,151)</u>	
<u>(5,463)</u>		<u>(2,694)</u>	<u>(482)</u>	<u>(92,151)</u>	
	<u>(4,728)</u>			<u>(78,479)</u>	
<u>\$</u>	<u>\$ (4,728)</u>	<u>\$</u>	<u>\$</u>	<u>\$ (78,479)</u>	<u>\$</u>

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Vocational Education	E-Rate	Other Federal Projects
Revenues:			
Other local	\$	\$ 9,350	\$
State aid and grants			
Federal aid, grants and reimbursements	317,371	2,772,172	472,294
Total revenues	317,371	2,781,522	472,294
Expenditures:			
Current -			
Instruction	57,178		286,607
Support services - students and staff	66,258		202,446
Support services - administration			
Operation and maintenance of plant services		48,360	
Student transportation services	1,052		4,000
Operation of non-instructional services			
Capital outlay	184,402	2,518,423	19,198
Total expenditures	308,890	2,566,783	512,251
Excess (deficiency) of revenues over expenditures	8,481	214,739	(39,957)
Other financing sources (uses):			
Transfers out	(8,481)		(17,026)
Total other financing sources (uses)	(8,481)		(17,026)
Changes in fund balances		214,739	(56,983)
Fund balances, beginning of year		302,451	
Fund balances (deficits), end of year	\$	\$ 517,190	\$ (56,983)

<u>State Vocational Education</u>	<u>College Credit Exam Incentives</u>	<u>Results-based Funding</u>	<u>Failing Schools Tutoring Grant</u>	<u>Other State Projects</u>	<u>Food Service</u>
\$ 109,842	\$ 101,308	\$ 582,761	\$ 33,958	\$ 218,201	\$ 1,431,172
<u>109,842</u>	<u>101,308</u>	<u>582,761</u>	<u>33,958</u>	<u>218,201</u>	<u>4,407,206</u>
					<u>5,838,378</u>
3,750	49,545	322,220	33,958	196,736	
97,576				1,738	1,813
8,516					
					5,111,350
				19,727	62,591
<u>109,842</u>	<u>49,545</u>	<u>322,220</u>	<u>33,958</u>	<u>218,201</u>	<u>5,175,754</u>
	<u>51,763</u>	<u>260,541</u>			<u>662,624</u>
					(175,000)
					(175,000)
	<u>51,763</u>	<u>260,541</u>			<u>487,624</u>
					695,051
<u>\$</u>	<u>\$ 51,763</u>	<u>\$ 260,541</u>	<u>\$</u>	<u>\$</u>	<u>\$ 1,182,675</u>

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Civic Center	Community School	Extracurricular Activities Fees Tax Credit
Revenues:			
Other local	\$ 399,724	\$ 716,793	\$ 1,168,864
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	399,724	716,793	1,168,864
Expenditures:			
Current -			
Instruction	142,618	535,812	1,020,036
Support services - students and staff	646		
Support services - administration	30,859		
Operation and maintenance of plant services	106,246		
Student transportation services			
Operation of non-instructional services	161	132,923	
Capital outlay	123,935		
Total expenditures	404,465	668,735	1,020,036
Excess (deficiency) of revenues over expenditures	(4,741)	48,058	148,828
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(4,741)	48,058	148,828
Fund balances, beginning of year	474,396	297,837	795,454
Fund balances (deficits), end of year	\$ 469,655	\$ 345,895	\$ 944,282

<u>Gifts and Donations</u>	<u>Fingerprint</u>	<u>Textbooks</u>	<u>Insurance Refund</u>	<u>Grants and Gifts to Teachers</u>	<u>Joint Technical Education</u>
\$ 335,279	\$ 2,539	\$ 4,723	\$ 260	\$ 34,243	\$ 733,236
<u>335,279</u>	<u>2,539</u>	<u>4,723</u>	<u>260</u>	<u>34,243</u>	<u>733,236</u>
98,648				20,605	455,897
17,619		561			282,162
8,952	252				3,038
455					1,725
8,318				700	
46,900					
152,647				723	179,753
<u>333,539</u>	<u>252</u>	<u>561</u>		<u>22,028</u>	<u>922,575</u>
<u>1,740</u>	<u>2,287</u>	<u>4,162</u>	<u>260</u>	<u>12,215</u>	<u>(189,339)</u>
<u>1,740</u>	<u>2,287</u>	<u>4,162</u>	<u>260</u>	<u>12,215</u>	<u>(189,339)</u>
1,454,709	605	53,594	22,777	945	121,332
<u>\$ 1,456,449</u>	<u>\$ 2,892</u>	<u>\$ 57,756</u>	<u>\$ 23,037</u>	<u>\$ 13,160</u>	<u>\$ (68,007)</u>

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Intergovernmental Agreements	Totals
Revenues:		
Other local	\$ 4,599	\$ 4,873,914
State aid and grants		8,017,052
Federal aid, grants and reimbursements		14,891,518
Total revenues	4,599	27,782,484
Expenditures:		
Current -		
Instruction		13,771,297
Support services - students and staff		2,642,404
Support services - administration		141,799
Operation and maintenance of plant services		157,555
Student transportation services		37,155
Operation of non-instructional services		5,291,334
Capital outlay		3,953,071
Total expenditures		25,994,615
Excess (deficiency) of revenues over expenditures	4,599	1,787,869
Other financing sources (uses):		
Transfers out		(383,432)
Total other financing sources (uses)		(383,432)
Changes in fund balances	4,599	1,404,437
Fund balances, beginning of year	21,013	7,375,471
Fund balances, end of year	\$ 25,612	\$ 8,779,908

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AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 30,803	\$ 30,803
State aid and grants		6,372,120	6,372,120
Federal aid, grants and reimbursements			
Total revenues		<u>6,402,923</u>	<u>6,402,923</u>
Expenditures:			
Current -			
Instruction	8,698,463	5,819,566	2,878,897
Support services - students and staff	314,271	81,466	232,805
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>9,012,734</u>	<u>5,901,032</u>	<u>3,111,702</u>
Excess (deficiency) of revenues over expenditures	<u>(9,012,734)</u>	<u>501,891</u>	<u>9,514,625</u>
Other financing sources (uses):			
Insurance recoveries			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	<u>(9,012,734)</u>	<u>501,891</u>	<u>9,514,625</u>
Fund balances, beginning of year		3,017,604	3,017,604
Fund balances (deficits), end of year	<u>\$ (9,012,734)</u>	<u>\$ 3,519,495</u>	<u>\$ 12,532,229</u>

Instructional Improvement			Title I Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 2,329	\$ 2,329	\$	\$	\$
	598,862	598,862			
	601,191	601,191		3,682,536	3,682,536
				3,682,536	3,682,536
249,913	224,247	25,666	2,601,425	1,886,439	714,986
420,087	376,944	43,143	1,334,403	967,651	366,752
			125,050	90,681	34,369
			1,060	769	291
			19,401	14,069	5,332
			883,661	640,792	242,869
670,000	601,191	68,809	4,965,000	3,600,401	1,364,599
(670,000)		670,000	(4,965,000)	82,135	5,047,135
				(82,135)	(82,135)
				(82,135)	(82,135)
(670,000)		670,000	(4,965,000)		4,965,000
	117,703	117,703			
\$ (670,000)	\$ 117,703	\$ 787,703	\$ (4,965,000)	\$	\$ 4,965,000

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Professional Development and Technology Grants		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		299,575	299,575
Total revenues		299,575	299,575
Expenditures:			
Current -			
Instruction			
Support services - students and staff	500,000	294,112	205,888
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	500,000	294,112	205,888
Excess (deficiency) of revenues over expenditures	(500,000)	5,463	505,463
Other financing sources (uses):			
Insurance recoveries			
Transfers in			
Transfers out		(5,463)	(5,463)
Total other financing sources (uses)		(5,463)	(5,463)
Changes in fund balances	(500,000)		500,000
Fund balances, beginning of year			
Fund balances (deficits), end of year	\$ (500,000)	\$	\$ 500,000

Title IV Grants			Limited English and Immigrant Students		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	32,271	32,271		198,027	198,027
	32,271	32,271		198,027	198,027
	4,011	(4,011)	164,360	131,041	33,319
			64,067	51,079	12,988
			2,149	1,713	436
	32,988	(32,988)	14,424	11,500	2,924
	36,999	(36,999)	245,000	195,333	49,667
	(4,728)	(4,728)	(245,000)	2,694	247,694
				(2,694)	(2,694)
				(2,694)	(2,694)
	(4,728)	(4,728)	(245,000)		245,000
\$	(4,728)	(4,728)	(245,000)	\$	245,000

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Indian Education		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		14,421	14,421
Total revenues		<u>14,421</u>	<u>14,421</u>
Expenditures:			
Current -			
Instruction	11,532	9,889	1,643
Support services - students and staff	4,140	3,550	590
Support services - administration			
Operation and maintenance of plant services			
Student transportation services	583	500	83
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>16,255</u>	<u>13,939</u>	<u>2,316</u>
Excess (deficiency) of revenues over expenditures	<u>(16,255)</u>	<u>482</u>	<u>16,737</u>
Other financing sources (uses):			
Insurance recoveries			
Transfers in			
Transfers out		(482)	(482)
Total other financing sources (uses)		<u>(482)</u>	<u>(482)</u>
Changes in fund balances	<u>(16,255)</u>		<u>16,255</u>
Fund balances, beginning of year			
Fund balances (deficits), end of year	<u>\$ (16,255)</u>	<u>\$</u>	<u>\$ 16,255</u>

Special Education Grants			Johnson O'Malley		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	2,676,906	2,676,906		18,739	18,739
	2,676,906	2,676,906		18,739	18,739
2,789,992	2,653,715	136,277	23,182	15,515	7,667
3,288	3,127	161	704	471	233
			4,114	2,753	1,361
6,720	6,392	328			
2,800,000	2,663,234	136,766	28,000	18,739	9,261
(2,800,000)	13,672	2,813,672	(28,000)		28,000
	(92,151)	(92,151)			
	(92,151)	(92,151)			
(2,800,000)	(78,479)	2,721,521	(28,000)		28,000
\$ (2,800,000)	\$ (78,479)	\$ 2,721,521	\$ (28,000)	\$	\$ 28,000

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Vocational Education		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		317,371	317,371
Total revenues		<u>317,371</u>	<u>317,371</u>
Expenditures:			
Current -			
Instruction	71,267	57,178	14,089
Support services - students and staff	82,584	66,258	16,326
Support services - administration			
Operation and maintenance of plant services			
Student transportation services	1,311	1,052	259
Operation of non-instructional services			
Capital outlay	229,838	184,402	45,436
Total expenditures	<u>385,000</u>	<u>308,890</u>	<u>76,110</u>
Excess (deficiency) of revenues over expenditures	<u>(385,000)</u>	<u>8,481</u>	<u>393,481</u>
Other financing sources (uses):			
Insurance recoveries			
Transfers in			
Transfers out		(8,481)	(8,481)
Total other financing sources (uses)		<u>(8,481)</u>	<u>(8,481)</u>
Changes in fund balances	<u>(385,000)</u>		<u>385,000</u>
Fund balances, beginning of year			
Fund balances (deficits), end of year	<u>\$ (385,000)</u>	<u>\$</u>	<u>\$ 385,000</u>

Medicaid Reimbursement			E-Rate		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 25,036	\$ 25,036	\$	\$ 9,350	\$ 9,350
	859,543	859,543		2,772,172	2,772,172
	884,579	884,579		2,781,522	2,781,522
11,982	3,173	8,809			
93,995	24,892	69,103			
			12,246	48,360	(36,114)
1,294,023	342,685	951,338	637,754	2,518,423	(1,880,669)
1,400,000	370,750	1,029,250	650,000	2,566,783	(1,916,783)
(1,400,000)	513,829	1,913,829	(650,000)	214,739	864,739
(1,400,000)	513,829	1,913,829	(650,000)	214,739	864,739
	1,449,582	1,449,582		302,451	302,451
\$ (1,400,000)	\$ 1,963,411	\$ 3,363,411	\$ (650,000)	\$ 517,190	\$ 1,167,190

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Other Federal Projects		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		472,294	472,294
Total revenues		472,294	472,294
Expenditures:			
Current -			
Instruction	323,394	286,607	36,787
Support services - students and staff	228,431	202,446	25,985
Support services - administration			
Operation and maintenance of plant services			
Student transportation services	4,513	4,000	513
Operation of non-instructional services			
Capital outlay	21,662	19,198	2,464
Total expenditures	578,000	512,251	65,749
Excess (deficiency) of revenues over expenditures	(578,000)	(39,957)	538,043
Other financing sources (uses):			
Insurance recoveries			
Transfers in			
Transfers out		(17,026)	(17,026)
Total other financing sources (uses)		(17,026)	(17,026)
Changes in fund balances	(578,000)	(56,983)	521,017
Fund balances, beginning of year			
Fund balances (deficits), end of year	\$ (578,000)	\$ (56,983)	\$ 521,017

State Vocational Education			College Credit Exam Incentives		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 109,842	\$ 109,842	\$	\$ 101,308	\$ 101,308
	<u>109,842</u>	<u>109,842</u>		<u>101,308</u>	<u>101,308</u>
3,755	3,750	5		49,545	(49,545)
97,717	97,576	141			
8,528	8,516	12			
<u>110,000</u>	<u>109,842</u>	<u>158</u>		<u>49,545</u>	<u>(49,545)</u>
<u>(110,000)</u>		<u>110,000</u>		<u>51,763</u>	<u>51,763</u>
<u>(110,000)</u>		<u>110,000</u>		<u>51,763</u>	<u>51,763</u>
<u>\$ (110,000)</u>	<u>\$</u>	<u>\$ 110,000</u>	<u>\$</u>	<u>\$ 51,763</u>	<u>\$ 51,763</u>

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Results-based Funding		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants		582,761	582,761
Federal aid, grants and reimbursements			
Total revenues		<u>582,761</u>	<u>582,761</u>
Expenditures:			
Current -			
Instruction	271,500	322,220	(50,720)
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>271,500</u>	<u>322,220</u>	<u>(50,720)</u>
Excess (deficiency) of revenues over expenditures	<u>(271,500)</u>	<u>260,541</u>	<u>532,041</u>
Other financing sources (uses):			
Insurance recoveries			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	<u>(271,500)</u>	<u>260,541</u>	<u>532,041</u>
Fund balances, beginning of year			
Fund balances (deficits), end of year	<u>\$ (271,500)</u>	<u>\$ 260,541</u>	<u>\$ 532,041</u>

Failing Schools Tutoring Grant			Other State Projects		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 33,958	\$ 33,958	\$	\$ 218,201	\$ 218,201
	<u>33,958</u>	<u>33,958</u>		<u>218,201</u>	<u>218,201</u>
46,600	33,958	12,642	223,108	196,736	26,372
			1,971	1,738	233
			<u>22,371</u>	<u>19,727</u>	<u>2,644</u>
<u>46,600</u>	<u>33,958</u>	<u>12,642</u>	<u>247,450</u>	<u>218,201</u>	<u>29,249</u>
<u>(46,600)</u>		<u>46,600</u>	<u>(247,450)</u>		<u>247,450</u>
<u>(46,600)</u>		<u>46,600</u>	<u>(247,450)</u>		<u>247,450</u>
<u>\$ (46,600)</u>	<u>\$</u>	<u>\$ 46,600</u>	<u>\$ (247,450)</u>	<u>\$</u>	<u>\$ 247,450</u>

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	School Plant		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
Revenues:			
Other local	\$	\$ 128,440	\$ 128,440
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>128,440</u>	<u>128,440</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	<u>1,000,000</u>	<u>228,850</u>	<u>771,150</u>
Total expenditures	<u>1,000,000</u>	<u>228,850</u>	<u>771,150</u>
Excess (deficiency) of revenues over expenditures	<u>(1,000,000)</u>	<u>(100,410)</u>	<u>899,590</u>
Other financing sources (uses):			
Insurance recoveries			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	<u>(1,000,000)</u>	<u>(100,410)</u>	<u>899,590</u>
Fund balances, beginning of year		1,979,370	1,979,370
Fund balances (deficits), end of year	<u>\$ (1,000,000)</u>	<u>\$ 1,878,960</u>	<u>\$ 2,878,960</u>

Food Service			Civic Center		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,431,172	\$ 1,431,172	\$	\$ 399,724	\$ 399,724
	4,407,206	4,407,206		399,724	399,724
	5,838,378	5,838,378			
			211,565	142,618	68,947
			958	646	312
2,277	1,813	464	45,778	30,859	14,919
			157,610	106,246	51,364
6,419,118	5,111,350	1,307,768	239	161	78
78,605	62,591	16,014	183,850	123,935	59,915
6,500,000	5,175,754	1,324,246	600,000	404,465	195,535
(6,500,000)	662,624	7,162,624	(600,000)	(4,741)	595,259
	(175,000)	(175,000)			
	(175,000)	(175,000)			
(6,500,000)	487,624	6,987,624	(600,000)	(4,741)	595,259
	695,051	695,051		474,396	474,396
\$ (6,500,000)	\$ 1,182,675	\$ 7,682,675	\$ (600,000)	\$ 469,655	\$ 1,069,655

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Community School		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 716,793	\$ 716,793
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		716,793	716,793
Expenditures:			
Current -			
Instruction	560,863	535,812	25,051
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services	139,137	132,923	6,214
Capital outlay			
Total expenditures	700,000	668,735	31,265
Excess (deficiency) of revenues over expenditures	(700,000)	48,058	748,058
Other financing sources (uses):			
Insurance recoveries			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(700,000)	48,058	748,058
Fund balances, beginning of year		297,837	297,837
Fund balances (deficits), end of year	\$ (700,000)	\$ 345,895	\$ 1,045,895

Auxiliary Operations			Extracurricular Activities Fees Tax Credit		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 2,008,399	\$ 2,008,399	\$	\$ 1,168,864	\$ 1,168,864
	<u>2,008,399</u>	<u>2,008,399</u>		<u>1,168,864</u>	<u>1,168,864</u>
1,487,481 9,389	2,053,645 12,962	(566,164) (3,573)	1,500,000	1,020,036	479,964
3,130	4,321	(1,191)			
<u>1,500,000</u>	<u>2,070,928</u>	<u>(570,928)</u>	<u>1,500,000</u>	<u>1,020,036</u>	<u>479,964</u>
<u>(1,500,000)</u>	<u>(62,529)</u>	<u>1,437,471</u>	<u>(1,500,000)</u>	<u>148,828</u>	<u>1,648,828</u>
<u>(1,500,000)</u>	<u>(62,529)</u>	<u>1,437,471</u>	<u>(1,500,000)</u>	<u>148,828</u>	<u>1,648,828</u>
	982,701	982,701		795,454	795,454
<u>\$ (1,500,000)</u>	<u>\$ 920,172</u>	<u>\$ 2,420,172</u>	<u>\$ (1,500,000)</u>	<u>\$ 944,282</u>	<u>\$ 2,444,282</u>

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Gifts and Donations		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 335,279	\$ 335,279
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>335,279</u>	<u>335,279</u>
Expenditures:			
Current -			
Instruction	443,642	98,648	344,994
Support services - students and staff	79,237	17,619	61,618
Support services - administration	40,259	8,952	31,307
Operation and maintenance of plant services	2,046	455	1,591
Student transportation services	37,408	8,318	29,090
Operation of non-instructional services	210,920	46,900	164,020
Capital outlay	<u>686,488</u>	<u>152,647</u>	<u>533,841</u>
Total expenditures	<u>1,500,000</u>	<u>333,539</u>	<u>1,166,461</u>
Excess (deficiency) of revenues over expenditures	<u>(1,500,000)</u>	<u>1,740</u>	<u>1,501,740</u>
Other financing sources (uses):			
Insurance recoveries			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	<u>(1,500,000)</u>	<u>1,740</u>	<u>1,501,740</u>
Fund balances, beginning of year		1,454,709	1,454,709
Fund balances (deficits), end of year	<u>\$ (1,500,000)</u>	<u>\$ 1,456,449</u>	<u>\$ 2,956,449</u>

Fingerprint			School Opening		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 2,539	\$ 2,539	\$	\$ (33)	\$ (33)
	<u>2,539</u>	<u>2,539</u>		<u>(33)</u>	<u>(33)</u>
25,000	252	24,748	716,089	721,913	(5,824)
			165,870	167,219	(1,349)
			156,719	157,994	(1,275)
			161,322	162,634	(1,312)
<u>25,000</u>	<u>252</u>	<u>24,748</u>	<u>1,200,000</u>	<u>1,209,760</u>	<u>(9,760)</u>
<u>(25,000)</u>	<u>2,287</u>	<u>27,287</u>	<u>(1,200,000)</u>	<u>(1,209,793)</u>	<u>(9,793)</u>
<u>(25,000)</u>	<u>2,287</u>	<u>27,287</u>	<u>(1,200,000)</u>	<u>(1,209,793)</u>	<u>(9,793)</u>
	605	605		1,209,793	1,209,793
<u>\$ (25,000)</u>	<u>\$ 2,892</u>	<u>\$ 27,892</u>	<u>\$ (1,200,000)</u>	<u>\$</u>	<u>\$ 1,200,000</u>

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Insurance Proceeds		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 2,773	\$ 2,773
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>2,773</u>	<u>2,773</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services	127,174	70,126	57,048
Student transportation services	48,091	26,518	21,573
Operation of non-instructional services			
Capital outlay	<u>24,735</u>	<u>13,639</u>	<u>11,096</u>
Total expenditures	<u>200,000</u>	<u>110,283</u>	<u>89,717</u>
Excess (deficiency) of revenues over expenditures	<u>(200,000)</u>	<u>(107,510)</u>	<u>92,490</u>
Other financing sources (uses):			
Insurance recoveries		36,216	36,216
Transfers in			
Transfers out			
Total other financing sources (uses)		<u>36,216</u>	<u>36,216</u>
Changes in fund balances	<u>(200,000)</u>	<u>(71,294)</u>	<u>128,706</u>
Fund balances, beginning of year		210,162	210,162
Fund balances (deficits), end of year	<u>\$ (200,000)</u>	<u>\$ 138,868</u>	<u>\$ 338,868</u>

Textbooks			Litigation Recovery		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 4,723	\$ 4,723	\$	\$ 6,772	\$ 6,772
	<u>4,723</u>	<u>4,723</u>		<u>6,772</u>	<u>6,772</u>
60,000	561	59,439	5,000		5,000
<u>60,000</u>	<u>561</u>	<u>59,439</u>	<u>5,000</u>		<u>5,000</u>
<u>(60,000)</u>	<u>4,162</u>	<u>64,162</u>	<u>(5,000)</u>	<u>6,772</u>	<u>11,772</u>
<u>(60,000)</u>	<u>4,162</u>	<u>64,162</u>	<u>(5,000)</u>	<u>6,772</u>	<u>11,772</u>
	53,594	53,594		110,985	110,985
<u>\$ (60,000)</u>	<u>\$ 57,756</u>	<u>\$ 117,756</u>	<u>\$ (5,000)</u>	<u>\$ 117,757</u>	<u>\$ 122,757</u>

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Indirect Costs		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
Revenues:			
Other local	\$	\$ 1,182	\$ 1,182
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>1,182</u>	<u>1,182</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration	294,299	209,614	84,685
Operation and maintenance of plant services	245,701	175,000	70,701
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>540,000</u>	<u>384,614</u>	<u>155,386</u>
Excess (deficiency) of revenues over expenditures	<u>(540,000)</u>	<u>(383,432)</u>	<u>156,568</u>
Other financing sources (uses):			
Insurance recoveries			
Transfers in		383,432	383,432
Transfers out			
Total other financing sources (uses)		<u>383,432</u>	<u>383,432</u>
Changes in fund balances	<u>(540,000)</u>		<u>540,000</u>
Fund balances, beginning of year			
Fund balances (deficits), end of year	<u>\$ (540,000)</u>	<u>\$</u>	<u>\$ 540,000</u>

Insurance Refund			Grants and Gifts to Teachers		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 260	\$ 260	\$	\$ 34,243	\$ 34,243
	<u>260</u>	<u>260</u>		<u>34,243</u>	<u>34,243</u>
			140,310	20,605	119,705
			4,767	700	4,067
			<u>4,923</u>	<u>723</u>	<u>4,200</u>
			<u>150,000</u>	<u>22,028</u>	<u>127,972</u>
	<u>260</u>	<u>260</u>	<u>(150,000)</u>	<u>12,215</u>	<u>162,215</u>
	<u>260</u>	<u>260</u>	<u>(150,000)</u>	<u>12,215</u>	<u>162,215</u>
	22,777	22,777		945	945
<u>\$</u>	<u>\$ 23,037</u>	<u>\$ 23,037</u>	<u>\$ (150,000)</u>	<u>\$ 13,160</u>	<u>\$ 163,160</u>

(Continued)

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Joint Technical Education		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 733,236	\$ 733,236
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>733,236</u>	<u>733,236</u>
Expenditures:			
Current -			
Instruction	485,757	455,897	29,860
Support services - students and staff	300,642	282,162	18,480
Support services - administration	3,237	3,038	199
Operation and maintenance of plant services	1,838	1,725	113
Student transportation services			
Operation of non-instructional services			
Capital outlay	<u>191,526</u>	<u>179,753</u>	<u>11,773</u>
Total expenditures	<u>983,000</u>	<u>922,575</u>	<u>60,425</u>
Excess (deficiency) of revenues over expenditures	<u>(983,000)</u>	<u>(189,339)</u>	<u>793,661</u>
Other financing sources (uses):			
Insurance recoveries			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	<u>(983,000)</u>	<u>(189,339)</u>	<u>793,661</u>
Fund balances, beginning of year		121,332	121,332
Fund balances (deficits), end of year	<u>\$ (983,000)</u>	<u>\$ (68,007)</u>	<u>\$ 914,993</u>

Intergovernmental Agreements			Totals		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 4,599	\$ 4,599	\$	\$ 7,046,483	\$ 7,046,483
				8,017,052	8,017,052
				15,751,061	15,751,061
	<u>4,599</u>	<u>4,599</u>		<u>30,814,596</u>	<u>30,814,596</u>
50,000		50,000	20,868,072	16,550,028	4,318,044
			3,982,891	2,847,477	1,135,414
			700,853	509,407	191,446
			708,997	565,315	143,682
			124,602	63,673	60,929
			6,772,544	5,295,655	1,476,889
			5,280,580	4,538,245	742,335
<u>50,000</u>		<u>50,000</u>	<u>38,438,539</u>	<u>30,369,800</u>	<u>8,068,739</u>
<u>(50,000)</u>	<u>4,599</u>	<u>54,599</u>	<u>(38,438,539)</u>	<u>444,796</u>	<u>38,883,335</u>
				36,216	36,216
				383,432	383,432
				(383,432)	(383,432)
				<u>36,216</u>	<u>36,216</u>
<u>(50,000)</u>	<u>4,599</u>	<u>54,599</u>	<u>(38,438,539)</u>	<u>481,012</u>	<u>38,919,551</u>
	21,013	21,013		13,318,064	13,318,064
<u>\$ (50,000)</u>	<u>\$ 25,612</u>	<u>\$ 75,612</u>	<u>\$ (38,438,539)</u>	<u>\$ 13,799,076</u>	<u>\$ 52,237,615</u>

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DEBT SERVICE FUND

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

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2018

	Debt Service		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 322,865	\$ 322,865
Property taxes		12,735,678	12,735,678
Total revenues		<u>13,058,543</u>	<u>13,058,543</u>
Expenditures:			
Debt service -			
Principal retirement	11,615,000	11,615,000	
Interest and fiscal charges	4,385,000	4,230,412	154,588
Total expenditures	<u>16,000,000</u>	<u>15,845,412</u>	<u>154,588</u>
Excess (deficiency) of revenues over expenditures	<u>(16,000,000)</u>	<u>(2,786,869)</u>	<u>13,213,131</u>
Other financing sources (uses):			
Transfers in		108,040	108,040
Total other financing sources (uses)		<u>108,040</u>	<u>108,040</u>
Changes in fund balances	<u>(16,000,000)</u>	<u>(2,678,829)</u>	<u>13,321,171</u>
Fund balances, beginning of year		6,258,290	6,258,290
Fund balances (deficits), end of year	<u>\$ (16,000,000)</u>	<u>\$ 3,579,461</u>	<u>\$ 19,579,461</u>

CAPITAL PROJECTS FUNDS

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

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

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

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

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

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

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2018**

	<u>Unrestricted Capital Outlay</u>	<u>Adjacent Ways</u>	<u>Gifts and Donations - Capital</u>
<u>ASSETS</u>			
Cash and investments	\$ 1,209,429	\$ 889,682	\$ 402,744
Property taxes receivable	149,340	8,281	
Due from governmental entities	108,967		
Total assets	<u>\$ 1,467,736</u>	<u>\$ 897,963</u>	<u>\$ 402,744</u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 49,119	\$	\$ 8,331
Due to other funds			
Total liabilities	<u>49,119</u>		<u>8,331</u>
Deferred inflows of resources:			
Unavailable revenues - property taxes	145,312		
Unavailable revenues - intergovernmental			
Total deferred inflows of resources	<u>145,312</u>		
Fund balances (deficits):			
Restricted	1,273,305	897,963	394,413
Unassigned			
Total fund balances	<u>1,273,305</u>	<u>897,963</u>	<u>394,413</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 1,467,736</u>	 <u>\$ 897,963</u>	 <u>\$ 402,744</u>

<u>Building Renewal Grant</u>	<u>Totals</u>
\$	\$ 2,501,855
	157,621
475,081	584,048
<u>\$ 475,081</u>	<u>\$ 3,243,524</u>

\$ 10,715	\$ 68,165
350,730	350,730
<u>361,445</u>	<u>418,895</u>

	145,312
475,081	475,081
<u>475,081</u>	<u>620,393</u>

	2,565,681
(361,445)	(361,445)
<u>(361,445)</u>	<u>2,204,236</u>

<u>\$ 475,081</u>	<u>\$ 3,243,524</u>
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AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2018

	Unrestricted Capital Outlay	Adjacent Ways	Gifts and Donations - Capital
Revenues:			
Other local	\$ 41,128	\$ 9,239	\$ 399,319
Property taxes	627,760	8,049	
State aid and grants	335,589		
Total revenues	1,004,477	17,288	399,319
Expenditures:			
Capital outlay	2,723,050	56,959	16,686
Total expenditures	2,723,050	56,959	16,686
Changes in fund balances	(1,718,573)	(39,671)	382,633
Fund balances (deficits), beginning of year	2,991,878	937,634	11,780
Fund balances (deficits), end of year	\$ 1,273,305	\$ 897,963	\$ 394,413

<u>Building Renewal Grant</u>	<u>Totals</u>
\$	\$ 449,686
	635,809
964,212	1,299,801
<u>964,212</u>	<u>2,385,296</u>
1,077,848	3,874,543
<u>1,077,848</u>	<u>3,874,543</u>
<u>(113,636)</u>	<u>(1,489,247)</u>
(247,809)	3,693,483
<u>\$ (361,445)</u>	<u>\$ 2,204,236</u>

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2018

	Unrestricted Capital Outlay		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 41,128	\$ 41,128
Property taxes		627,760	627,760
State aid and grants		335,589	335,589
Total revenues		<u>1,004,477</u>	<u>1,004,477</u>
Expenditures:			
Capital outlay	4,654,181	2,723,050	1,931,131
Total expenditures	<u>4,654,181</u>	<u>2,723,050</u>	<u>1,931,131</u>
Excess (deficiency) of revenues over expenditures	<u>(4,654,181)</u>	<u>(1,718,573)</u>	<u>2,935,608</u>
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	<u>(4,654,181)</u>	<u>(1,718,573)</u>	<u>2,935,608</u>
Fund balances (deficits), beginning of year		2,991,878	2,991,878
Fund balances (deficits), end of year	<u>\$ (4,654,181)</u>	<u>\$ 1,273,305</u>	<u>\$ 5,927,486</u>

Adjacent Ways			Bond Building		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 9,239	\$ 9,239	\$	\$ 108,096	\$ 108,096
	8,049	8,049			
	<u>17,288</u>	<u>17,288</u>		<u>108,096</u>	<u>108,096</u>
1,066,483	56,959	1,009,524	16,693,490	8,784,619	7,908,871
<u>1,066,483</u>	<u>56,959</u>	<u>1,009,524</u>	<u>16,693,490</u>	<u>8,784,619</u>	<u>7,908,871</u>
(1,066,483)	(39,671)	1,026,812	(16,693,490)	(8,676,523)	8,016,967
				(108,040)	(108,040)
				<u>(108,040)</u>	<u>(108,040)</u>
(1,066,483)	(39,671)	1,026,812	(16,693,490)	(8,784,563)	7,908,927
	937,634	937,634		14,510,570	14,510,570
<u>\$ (1,066,483)</u>	<u>\$ 897,963</u>	<u>\$ 1,964,446</u>	<u>\$ (16,693,490)</u>	<u>\$ 5,726,007</u>	<u>\$ 22,419,497</u>

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AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2018

	Gifts and Donations - Capital		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 399,319	\$ 399,319
Property taxes			
State aid and grants			
Total revenues		399,319	399,319
Expenditures:			
Capital outlay	375,000	16,686	358,314
Total expenditures	375,000	16,686	358,314
Excess (deficiency) of revenues over expenditures	(375,000)	382,633	757,633
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(375,000)	382,633	757,633
Fund balances (deficits), beginning of year		11,780	11,780
Fund balances (deficits), end of year	\$ (375,000)	\$ 394,413	\$ 769,413

Condemnation			Building Renewal Grant		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 3,316	\$ 3,316	\$	\$	\$
				964,212	964,212
	<u>3,316</u>	<u>3,316</u>		<u>964,212</u>	<u>964,212</u>
	133,000	(133,000)	1,410,000	1,077,848	332,152
	<u>133,000</u>	<u>(133,000)</u>	<u>1,410,000</u>	<u>1,077,848</u>	<u>332,152</u>
	(129,684)	(129,684)	(1,410,000)	(113,636)	1,296,364
	<u>(129,684)</u>	<u>(129,684)</u>	<u>(1,410,000)</u>	<u>(113,636)</u>	<u>1,296,364</u>
	133,778	133,778		(247,809)	(247,809)
	<u>4,094</u>	<u>4,094</u>	<u>(1,410,000)</u>	<u>(361,445)</u>	<u>1,048,555</u>
\$	\$	\$	\$	\$	\$

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AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2018

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 561,098	\$ 561,098
Property taxes		635,809	635,809
State aid and grants		1,299,801	1,299,801
Total revenues		<u>2,496,708</u>	<u>2,496,708</u>
Expenditures:			
Capital outlay	24,199,154	12,792,162	11,406,992
Total expenditures	<u>24,199,154</u>	<u>12,792,162</u>	<u>11,406,992</u>
Excess (deficiency) of revenues over expenditures	<u>(24,199,154)</u>	<u>(10,295,454)</u>	<u>13,903,700</u>
Other financing sources (uses):			
Transfers out		(108,040)	(108,040)
Total other financing sources (uses)		<u>(108,040)</u>	<u>(108,040)</u>
Changes in fund balances	<u>(24,199,154)</u>	<u>(10,403,494)</u>	<u>13,795,660</u>
Fund balances (deficits), beginning of year		18,337,831	18,337,831
Fund balances (deficits), end of year	<u>\$ (24,199,154)</u>	<u>\$ 7,934,337</u>	<u>\$ 32,133,491</u>

INTERNAL SERVICE FUND

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

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

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING STATEMENT OF NET POSITION -
ALL INTERNAL SERVICE FUNDS
JUNE 30, 2018

	Print Shop	Technology	Totals
<u>ASSETS</u>			
Current assets:			
Cash and investments	\$ 353,083	\$	\$ 353,083
Due from other funds	79,631	77,806	157,437
Total current assets	432,714	77,806	510,520
Noncurrent assets:			
Capital assets, net of accumulated depreciation	176,246		176,246
Total noncurrent assets	176,246		176,246
Total assets	608,960	77,806	686,766
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	3,386		3,386
Due to other funds		77,806	77,806
Accrued payroll and employee benefits	3,383		3,383
Total current liabilities	6,769	77,806	84,575
Total liabilities	6,769	77,806	84,575
<u>NET POSITION</u>			
Net investment in capital assets	176,246		176,246
Unrestricted	425,945		425,945
Total net position	\$ 602,191	\$	\$ 602,191

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -
ALL INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	<u>Print Shop</u>	<u>Technology</u>	<u>Totals</u>
Operating revenues:			
Charges for services	\$ 384,877	\$ 77,806	\$ 462,683
Total operating revenues	<u>384,877</u>	<u>77,806</u>	<u>462,683</u>
Operating expenses:			
Cost of services	359,454	77,806	437,260
Depreciation	37,516		37,516
Total operating expenses	<u>396,970</u>	<u>77,806</u>	<u>474,776</u>
Operating income (loss)	<u>(12,093)</u>		<u>(12,093)</u>
Nonoperating revenues (expenses):			
Investment income	4,812		4,812
Total nonoperating revenues (expenses)	<u>4,812</u>		<u>4,812</u>
Changes in net position	<u>(7,281)</u>		<u>(7,281)</u>
Total net position, beginning of year	609,472		609,472
Total net position, end of year	<u>\$ 602,191</u>	<u>\$</u>	<u>\$ 602,191</u>

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING STATEMENT OF CASH FLOWS
ALL INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Print Shop	Technology	Totals
<u>Decrease in Cash and Cash Equivalents</u>			
Cash flows from operating activities:			
Cash received for services	\$ 396,678	\$	\$ 396,678
Cash payments to employees for services	(150,707)		(150,707)
Cash payments to suppliers for goods and services	(216,315)	(77,806)	(294,121)
Net cash provided by (used for) operating activities	29,656	(77,806)	(48,150)
Cash flows from noncapital financing activities:			
Interfund borrowing	(77,806)	77,806	
Net cash provided by (used for) noncapital financing activities	(77,806)	77,806	
Cash flows from investing activities:			
Investment income	4,812		4,812
Net cash provided by investing activities	4,812		4,812
Net decrease in cash and cash equivalents	(43,338)		(43,338)
Cash and cash equivalents, beginning of year	396,421		396,421
Cash and cash equivalents, end of year	\$ 353,083	\$	\$ 353,083
 <u>Reconciliation of Operating Loss to Net Cash Provided by (Used for)</u>			
<u>Operating Activities</u>			
Operating loss	\$ (12,093)	\$	\$ (12,093)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities:			
Depreciation expense	37,516		37,516
Changes in assets and liabilities:			
Decrease (increase) in due from other funds	11,801	(77,806)	(66,005)
Decrease in accounts payable	(8,781)		(8,781)
Increase in accrued payroll and employee benefits	1,213		1,213
Total adjustments	41,749	(77,806)	(36,057)
Net cash provided by (used for) operating activities	\$ 29,656	\$ (77,806)	\$ (48,150)

AGENCY FUNDS

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

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

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
 COMBINING STATEMENT OF ASSETS AND LIABILITIES
 AGENCY FUNDS
 JUNE 30, 2018**

	Student Activities	Employee Insurance	Totals
<u>ASSETS</u>			
Cash and investments	\$ 657,242	\$ 2,799,915	\$ 3,457,157
Total assets	\$ 657,242	\$ 2,799,915	\$ 3,457,157
 <u>LIABILITIES</u>			
Deposits held for others	\$	\$ 2,799,915	\$ 2,799,915
Due to student groups	657,242		657,242
Total liabilities	\$ 657,242	\$ 2,799,915	\$ 3,457,157

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 2018

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<u>STUDENT ACTIVITIES FUND</u>				
<u>Assets</u>				
Cash and investments	\$ 561,793	\$ 1,017,771	\$ 922,322	\$ 657,242
Total assets	\$ <u>561,793</u>	\$ <u>1,017,771</u>	\$ <u>922,322</u>	\$ <u>657,242</u>
<u>Liabilities</u>				
Due to student groups	\$ 561,793	\$ 1,017,771	\$ 922,322	\$ 657,242
Total liabilities	\$ <u>561,793</u>	\$ <u>1,017,771</u>	\$ <u>922,322</u>	\$ <u>657,242</u>
 <u>EMPLOYEE INSURANCE</u>				
<u>Assets</u>				
Cash and investments	\$ 2,544,350	\$ 8,285,368	\$ 8,029,803	\$ 2,799,915
Total assets	\$ <u>2,544,350</u>	\$ <u>8,285,368</u>	\$ <u>8,029,803</u>	\$ <u>2,799,915</u>
<u>Liabilities</u>				
Deposits held for others	\$ 2,544,350	\$ 8,285,368	\$ 8,029,803	\$ 2,799,915
Total liabilities	\$ <u>2,544,350</u>	\$ <u>8,285,368</u>	\$ <u>8,029,803</u>	\$ <u>2,799,915</u>
 <u>TOTAL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash and investments	\$ 3,106,143	\$ 9,303,139	\$ 8,952,125	\$ 3,457,157
Total assets	\$ <u>3,106,143</u>	\$ <u>9,303,139</u>	\$ <u>8,952,125</u>	\$ <u>3,457,157</u>
<u>Liabilities</u>				
Deposits held for others	\$ 2,544,350	\$ 8,285,368	\$ 8,029,803	\$ 2,799,915
Due to student groups	<u>561,793</u>	<u>1,017,771</u>	<u>922,322</u>	<u>657,242</u>
Total liabilities	\$ <u>3,106,143</u>	\$ <u>9,303,139</u>	\$ <u>8,952,125</u>	\$ <u>3,457,157</u>

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STATISTICAL SECTION

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

Note: For locally assessed property (i.e., excluding mines, utilities, etc.) Proposition 117, approved by voters in 2012, amended the Arizona Constitution to require that all property taxes after fiscal year 2014-15 be based upon property values limited to 5 percent in annual growth. The aggregate assessed value of all taxable properties within a taxing jurisdiction (i.e., after applying assessment ratios based on the use of a property), including property values with a growth limit, is currently referred to as net limited assessed value and formerly as primary assessed value. In accordance with Proposition 117, this value is used for all taxing purposes beginning fiscal year 2015-16. Aggregate assessed value without a growth limit is currently referred to as net full cash assessed value and formerly as secondary assessed value. This remains the value utilized for determining debt capacity limits.

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

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Net Position:					
Net investment in capital assets	\$ 145,290,583	\$ 138,984,123	\$ 135,581,914	\$ 136,642,915	\$ 132,606,334
Restricted	16,000,973	18,733,648	24,716,466	23,421,279	29,736,766
Unrestricted	<u>(90,570,528)</u>	<u>(101,007,463)</u>	<u>(103,484,285)</u>	<u>(109,070,794)</u>	<u>5,181,866</u>
Total net position	<u><u>\$ 70,721,028</u></u>	<u><u>\$ 56,710,308</u></u>	<u><u>\$ 56,814,095</u></u>	<u><u>\$ 50,993,400</u></u>	<u><u>\$ 167,524,966</u></u>
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Net Position:					
Net investment in capital assets	\$ 124,594,995	\$ 115,861,960	\$ 104,714,457	\$ 99,391,463	\$ 87,220,704
Restricted	27,134,290	28,543,462	27,550,320	14,545,819	8,910,514
Unrestricted	<u>15,516,630</u>	<u>21,400,110</u>	<u>26,256,156</u>	<u>24,971,674</u>	<u>27,977,027</u>
Total net position	<u><u>\$ 167,245,915</u></u>	<u><u>\$ 165,805,532</u></u>	<u><u>\$ 158,520,933</u></u>	<u><u>\$ 138,908,956</u></u>	<u><u>\$ 124,108,245</u></u>

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

Note: The decrease in unrestricted net position during fiscal year 2015 is due to the implementation of the pension reporting standards.

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

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Expenses					
Instruction	\$ 64,280,137	\$ 68,509,202	\$ 64,699,340	\$ 66,289,657	\$ 67,420,166
Support services - students and staff	14,225,556	15,482,748	15,113,534	15,449,602	14,874,733
Support services - administration	9,542,890	9,425,874	9,198,846	9,673,773	9,210,831
Operation and maintenance of plant services	15,478,990	15,795,161	15,589,812	16,553,255	15,419,930
Student transportation services	7,459,805	7,206,382	6,525,401	6,814,368	6,591,865
Operation of non-instructional services	6,330,864	6,764,596	6,257,346	5,957,812	6,162,176
Interest on long-term debt	3,609,917	3,472,400	3,976,078	4,214,379	4,138,703
Total expenses	<u>120,928,159</u>	<u>126,656,363</u>	<u>121,360,357</u>	<u>124,952,846</u>	<u>123,818,404</u>
Program Revenues					
Charges for services:					
Instruction	5,264,770	5,076,974	4,831,112	4,233,563	3,999,749
Operation of non-instructional services	1,560,600	1,338,273	1,365,170	1,304,030	1,371,838
Other activities	632,241	824,126	1,035,334	887,297	661,647
Operating grants and contributions	13,762,341	15,094,520	15,389,511	15,189,659	15,152,955
Capital grants and contributions	5,223,569	1,782,290	1,185,476	1,007,145	431,269
Total program revenues	<u>26,443,521</u>	<u>24,116,183</u>	<u>23,806,603</u>	<u>22,621,694</u>	<u>21,617,458</u>
Net (Expense)/Revenue	<u>\$ (94,484,638)</u>	<u>\$ (102,540,180)</u>	<u>\$ (97,553,754)</u>	<u>\$ (102,331,152)</u>	<u>\$ (102,200,946)</u>

(Continued)

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

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

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

(Concluded)

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

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Net (Expense)/Revenue	\$ (94,484,638)	\$ (102,540,180)	\$ (97,553,754)	\$ (102,331,152)	\$ (102,200,946)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	57,549,945	54,220,986	55,339,607	55,836,382	56,019,780
Property taxes, levied for debt service	12,766,951	12,579,327	13,254,490	12,972,470	14,416,461
Property taxes, levied for capital outlay	637,451		427,251	239,735	288,598
Investment income	424,032	330,972	227,321	147,046	183,533
Unrestricted county aid	1,840,851	1,826,036	1,683,607	1,788,606	1,860,600
Unrestricted state aid	34,398,608	32,761,002	31,772,975	30,415,734	30,621,560
Unrestricted federal aid	859,543	718,070	669,198	390,482	275,714
Total general revenues	<u>108,477,381</u>	<u>102,436,393</u>	<u>103,374,449</u>	<u>101,790,455</u>	<u>103,666,246</u>
Changes in Net Position	<u>\$ 13,992,743</u>	<u>\$ (103,787)</u>	<u>\$ 5,820,695</u>	<u>\$ (540,697)</u>	<u>\$ 1,465,300</u>

(Continued)

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

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

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 year 2008-09.

(Concluded)

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

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
General Fund:					
Nondisposable	\$ 71,112	\$ 1,159,762	\$ 80,646	\$ 105,340	\$ 91,055
Unassigned	13,792,578	10,426,549	13,075,774	9,913,394	8,042,627
Total General Fund	\$ 13,863,690	\$ 11,586,311	\$ 13,156,420	\$ 10,018,734	\$ 8,133,682
All Other Governmental Funds:					
Restricted	\$ 20,859,254	\$ 32,085,623	\$ 51,402,180	\$ 58,486,820	\$ 71,302,111
Unassigned	(569,642)	(247,809)			
Total all other governmental funds	\$ 20,289,612	\$ 31,837,814	\$ 51,402,180	\$ 58,486,820	\$ 71,302,111

(Continued)

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

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

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

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

(Concluded)

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

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Federal sources:					
Federal grants	\$ 11,343,855	\$ 10,152,924	\$ 9,831,367	\$ 10,148,656	\$ 9,528,962
National School Lunch Program	4,407,206	4,686,766	4,445,662	4,386,263	4,321,560
Total federal sources	<u>15,751,061</u>	<u>14,839,690</u>	<u>14,277,029</u>	<u>14,534,919</u>	<u>13,850,522</u>
State sources:					
State equalization assistance	27,427,626	26,460,101	25,836,111	24,671,124	24,829,017
State grants	1,046,070	381,261	339,060	346,824	247,104
School Facilities Board	964,212	175,644	384,315	69,415	6,077
Other revenues	6,970,982	6,300,901	5,936,864	5,744,610	5,792,543
Total state sources	<u>36,408,890</u>	<u>33,317,907</u>	<u>32,496,350</u>	<u>30,831,973</u>	<u>30,874,741</u>
Local sources:					
Property taxes	70,584,386	66,654,193	68,128,648	69,574,339	70,028,995
County aid	1,840,851	1,826,036	1,683,607	1,788,606	1,860,600
Food service sales	1,418,894	1,242,655	1,291,554	1,278,225	1,371,838
Investment income	424,032	327,939	225,318	145,903	182,507
Other revenues	7,835,941	7,879,032	8,210,997	6,788,728	6,133,761
Total local sources	<u>82,104,104</u>	<u>77,929,855</u>	<u>79,540,124</u>	<u>79,575,801</u>	<u>79,577,701</u>
Total revenues	<u><u>\$ 134,264,055</u></u>	<u><u>\$ 126,087,452</u></u>	<u><u>\$ 126,313,503</u></u>	<u><u>\$ 124,942,693</u></u>	<u><u>\$ 124,302,964</u></u>

(Continued)

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

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

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 year 2008-09.

(Concluded)

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

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Expenditures:					
Current -					
Instruction	\$ 58,844,436	\$ 59,602,757	\$ 56,457,965	\$ 56,669,030	\$ 58,304,828
Support services - students and staff	14,631,346	15,335,287	14,824,748	14,903,830	14,371,801
Support services - administration	9,561,881	9,344,373	8,475,159	9,441,160	8,868,782
Operation and maintenance of plant services	14,453,618	16,672,302	15,364,929	15,587,295	14,586,240
Student transportation services	6,147,710	6,200,130	5,526,585	5,669,952	5,505,736
Operation of non-instructional services	5,667,634	6,112,991	6,123,997	5,886,414	5,999,796
Capital outlay	17,330,407	33,765,869	12,657,218	13,941,073	24,388,911
Debt service -					
Claims and judgments					
Interest and fiscal charges	4,230,412	3,878,087	4,310,162	4,548,463	4,472,787
Principal retirement	11,615,000	11,955,000	6,495,000	9,240,000	9,365,000
Bond issuance costs		487,720			454,250
Total expenditures	<u>\$ 142,482,444</u>	<u>\$ 163,354,516</u>	<u>\$ 130,235,763</u>	<u>\$ 135,887,217</u>	<u>\$ 146,318,131</u>
Expenditures for capitalized assets	\$ 13,658,687	\$ 28,397,281	\$ 9,673,062	\$ 10,051,628	\$ 21,235,438
Debt service as a percentage of noncapital expenditures	12%	12%	9%	11%	11%

(Continued)

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

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Expenditures:					
Current -					
Instruction	\$ 58,732,150	\$ 59,994,072	\$ 63,230,105	\$ 69,825,792	\$ 72,716,370
Support services - students and staff	14,289,983	14,318,905	14,305,106	15,464,330	16,792,096
Support services - administration	8,632,313	8,902,139	8,755,858	9,701,573	9,882,699
Operation and maintenance of plant services	15,697,850	15,802,906	15,875,802	15,563,830	15,253,440
Student transportation services	5,580,341	5,412,865	5,253,489	5,872,495	6,012,897
Operation of non-instructional services	5,910,068	5,042,098	4,842,341	5,362,675	7,754,331
Capital outlay	26,943,964	26,846,224	26,655,180	11,890,902	18,639,061
Debt service -					
Claims and judgments					311,153
Interest and fiscal charges	3,583,138	3,903,188	2,783,808	3,248,150	3,073,519
Principal retirement	7,900,000	12,600,000	14,235,000	15,835,000	15,663,823
Bond issuance costs			531,500	455,880	
Total expenditures	<u>\$ 147,269,807</u>	<u>\$ 152,822,397</u>	<u>\$ 156,468,189</u>	<u>\$ 153,220,627</u>	<u>\$ 166,099,389</u>
Expenditures for capitalized assets	\$ 22,187,250	\$ 24,828,964	\$ 23,299,817	\$ 10,694,484	\$ 15,681,938
Debt service as a percentage of noncapital expenditures	9%	13%	13%	13%	13%

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

(Concluded)

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

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Excess (deficiency) of revenues over expenditures	\$ (8,218,389)	\$ (37,267,064)	\$ (3,922,260)	\$ (10,944,524)	\$ (22,015,167)
Other financing sources (uses):					
Issuance of school improvement bonds		14,300,000			41,000,000
Refunding bonds issued		27,290,000			
Premium on sale of bonds		4,757,628			1,890,607
Transfers in	491,472	475,461	1,460,941	576,457	7,711,238
Transfers out	(491,472)	(475,461)	(1,460,941)	(576,457)	(7,711,238)
Payment to refunded bond escrow agent		(31,375,474)			
Insurance recoveries	36,216	81,319			
Total other financing sources (uses)	36,216	15,053,473			42,890,607
Changes in fund balances	\$ (8,182,173)	\$ (22,213,591)	\$ (3,922,260)	\$ (10,944,524)	\$ 20,875,440
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Excess (deficiency) of revenues over expenditures	\$ (20,871,410)	\$ (20,410,831)	\$ (11,845,430)	\$ (4,160,173)	\$ (18,587,819)
Other financing sources (uses):					
Issuance of school improvement bonds			50,000,000	29,000,000	
Premium on sale of bonds			2,474,748	575,574	
Transfers in	5,084,066	20,361,008	13,028,901	612,245	2,215,442
Transfers out	(5,084,066)	(20,361,008)	(13,028,901)	(612,245)	(2,215,442)
Total other financing sources (uses)	(5,084,066)	(20,361,008)	52,474,748	29,575,574	
Changes in fund balances	\$ (20,871,410)	\$ (20,410,831)	\$ 40,629,318	\$ 25,415,401	\$ (18,587,819)

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

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NET LIMITED ASSESSED VALUE AND FULL CASH VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Commercial, Industrial, Utilities and Mining	\$ 390,330,020	\$ 386,492,477	\$ 393,112,482	\$ 400,993,164	\$ 408,811,883
Agricultural and Vacant	60,223,017	60,414,179	66,188,518	70,841,726	74,601,112
Residential (Owner Occupied)	706,536,397	680,141,297	646,731,996	630,493,060	695,595,885
Residential (Rental)	316,980,477	311,120,233	297,590,115	274,165,303	202,222,017
Historical Property	7,120	7,467	7,467	8,784	
Certain Government Property Improvements					
Total	\$ 1,474,077,031	\$ 1,438,175,653	\$ 1,403,630,578	\$ 1,376,502,037	\$ 1,381,230,897
Gross Full Cash Value	\$ 14,277,613,844	\$ 13,982,826,990	\$ 13,296,921,889	\$ 12,548,235,255	\$ 12,435,162,280
Ratio of Net Limited Assessed Value to Gross Full Cash Value	10%	10%	11%	11%	11%
Total Direct Rate	\$ 5.63	\$ 5.49	\$ 5.67	\$ 5.80	\$ 5.93

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Commercial, Industrial, Utilities and Mining	\$ 426,083,534	\$ 435,998,277	\$ 441,648,947	\$ 432,901,452	\$ 406,185,178
Agricultural and Vacant	86,142,740	93,306,982	99,609,047	97,161,620	92,720,381
Residential (Owner Occupied)	756,524,895	817,154,887	889,814,977	882,373,320	808,532,844
Residential (Rental)	197,243,249	183,525,455	188,772,796	181,539,630	161,739,522
Historical Property					
Certain Government Property Improvements		9,559			
Total	\$ 1,465,994,418	\$ 1,529,995,160	\$ 1,619,845,767	\$ 1,593,976,022	\$ 1,469,177,925
Gross Full Cash Value	\$ 13,069,027,065	\$ 13,662,130,620	\$ 14,636,262,086	\$ 14,840,194,999	\$ 14,560,023,693
Ratio of Net Limited Assessed Value to Gross Full Cash Value	11%	11%	11%	11%	10%
Total Direct Rate	\$ 5.55	\$ 5.41	\$ 5.05	\$ 4.61	\$ 4.86

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

Note: On November 6, 2012, voters approved Proposition 117, an amendment to the Arizona Constitution. Beginning with Tax Year 2015 (Fiscal Year 2016), both primary and secondary taxes are levied against the net limited assessed value. Primary taxes are used for general District operations. Secondary taxes are used to service District bonded debt requirements and other voter-approved overrides.

AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
NET FULL CASH ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Commercial, Industrial, Utilities and Mining	\$ 405,120,089	\$ 399,841,473	\$ 407,546,091	\$ 408,034,494	\$ 416,879,620
Agricultural and Vacant	64,618,058	62,730,922	67,740,311	72,137,412	76,563,027
Residential (Owner Occupied)	727,895,923	715,602,915	672,118,932	631,913,382	696,402,055
Residential (Rental)	344,403,919	331,184,580	309,393,855	276,538,054	204,516,618
Historical Property	7,120	7,467	7,467	8,784	
Certain Government Property Improvements					
Total	<u>\$ 1,542,045,109</u>	<u>\$ 1,509,367,357</u>	<u>\$ 1,456,806,656</u>	<u>\$ 1,388,632,126</u>	<u>\$ 1,394,361,320</u>
Gross Full Cash Value	\$ 14,277,613,844	\$ 13,982,826,990	\$ 13,296,921,889	\$ 12,548,235,255	\$ 12,435,162,280
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	11%	11%	11%	11%	11%
Estimated Net Full Cash Value	\$ 13,128,581,326	\$ 12,836,251,850	\$ 12,143,851,114	\$ 11,384,346,777	\$ 11,349,866,101
Total Direct Rate	\$ 5.63	\$ 5.49	\$ 5.67	\$ 5.80	\$ 5.93

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Commercial, Industrial, Utilities and Mining	\$ 435,323,801	\$ 456,798,101	\$ 486,231,035	\$ 494,145,983	\$ 437,431,041
Agricultural and Vacant	89,249,772	101,218,120	119,794,462	129,977,152	133,486,922
Residential (Owner Occupied)	757,863,552	819,226,568	900,767,355	937,324,541	959,231,036
Residential (Rental)	200,241,204	184,691,585	194,496,374	196,039,258	185,343,654
Historical Property					
Certain Government Property Improvements		9,559			
Total	<u>\$ 1,482,678,329</u>	<u>\$ 1,561,943,933</u>	<u>\$ 1,701,289,226</u>	<u>\$ 1,757,486,934</u>	<u>\$ 1,715,492,653</u>
Gross Full Cash Value	\$ 13,069,027,065	\$ 13,662,130,620	\$ 14,636,262,086	\$ 14,840,194,999	\$ 14,560,023,693
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	11%	11%	12%	12%	12%
Estimated Net Full Cash Value	\$ 12,055,624,019	\$ 12,723,893,131	\$ 13,805,424,287	\$ 14,260,647,884	\$ 14,097,318,632
Total Direct Rate	\$ 5.55	\$ 5.41	\$ 5.05	\$ 4.61	\$ 4.86

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

Note: On November 6, 2012, voters approved Proposition 117, an amendment to the Arizona Constitution. Beginning with Tax Year 2015 (Fiscal Year 2016), both primary and secondary taxes are levied against the net limited assessed value. The net full cash assessed value is used for determining the District's bonding capacity and as the ceiling for net limited assessed value.

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

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Commercial, Industrial, Utilities and Mining	18 %	18 %	19 %	19 %	20 %
Agricultural and Vacant	15	15	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	15	14	15	16	15

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

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

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

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

Fiscal Year Ended June 30	Overlapping Rates										
	State Equalization	County	County Free	Flood Control	Community College	Fire District	Central Arizona	City of	District Direct Rates		
			Library	District	District	Assistance	Water	Tucson	Primary	Secondary	Total
2018	0.49	5.16	0.51	0.31	1.39	0.05	0.14	1.43	4.26	1.37	5.63
2017	0.50	4.98	0.52	0.33	1.37	0.05	0.14	1.60	4.11	1.38	5.49
2016	0.51	5.09	0.52	0.31	1.37	0.05	0.14	1.60	4.25	1.42	5.67
2015	0.51	4.98	0.44	0.30	1.33	0.05	0.14	1.46	4.37	1.44	5.80
2014	0.51	4.45	0.38	0.26	1.29	0.05	0.14	1.43	4.39	1.54	5.93
2013	0.47	4.20	0.35	0.26	1.17	0.04	0.10	1.26	4.08	1.47	5.55
2012	0.43	4.20	0.35	0.26	1.11	0.04	0.10	1.16	3.96	1.45	5.41
2011	0.36	4.06	0.31	0.26	1.08	0.04	0.10	0.96	3.65	1.40	5.05
2010	0.33	4.02	0.26	0.26	1.08	0.04	0.10	0.93	3.15	1.46	4.61
2009	0.00	4.01	0.34	0.29	1.14	0.04	0.10	0.96	3.36	1.50	4.86

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

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

Taxpayer	2018		2009	
	Net Limited Assessed Valuation	Percentage of District's Net Limited Assessed Valuation	Net Full Cash Assessed Valuation	Percentage of District's Net Full Cash Assessed Valuation
Northwest Hospital - Oro Valley Hospital LLC	\$ 31,688,244	2.15 %	\$	%
Unisource Energy Corporation	20,508,254	1.39	16,468,729	0.96
DND Neffson Company	16,111,998	1.09	22,472,954	1.31
Ventana Medical Systems	8,722,683	0.59		
Southwest Gas Corporation	8,319,734	0.56	8,920,562	0.52
VPOVM LLC	8,172,564	0.55		
Weingarten Nostat Inc	7,683,723	0.52	6,518,872	0.38
J Foothills LLC	6,915,073	0.47		
Tucson Mather Plaza LLC	4,965,102	0.34		
Honeywell International	4,915,891	0.33		
Qwest Communications Corporation			13,895,490	0.81
HDP Northwest LLC			13,895,490	0.81
FMP Kimco Foothills LLC			13,552,392	0.79
CHH Tucson Partnership LP			13,037,744	0.76
Oro Valley Hospital			10,292,956	0.60
Garrett Corporation			8,405,914	0.49
Total	<u>\$ 118,003,266</u>	<u>7.99 %</u>	<u>\$ 127,461,103</u>	<u>7.43 %</u>

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

Note: On November 6, 2012, voters approved Proposition 117, an amendment to the Arizona Constitution. Beginning with Tax Year 2015 (Fiscal Year 2016), both primary and secondary taxes are levied against the net limited assessed value.

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

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Fiscal Years	Collected to the End of the Current Fiscal Year	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2018	\$ 70,644,375	\$ 69,294,240	98.09 %	\$	\$ 69,294,240	98.09 %
2017	65,065,801	63,766,444	98.00	1,060,009	64,826,453	99.63
2016	66,319,241	64,200,699	96.81	1,748,989	65,949,688	99.44
2015	66,991,942	65,160,822	97.27	1,688,960	66,849,782	99.79
2014	68,236,730	66,106,428	96.88	1,667,127	67,773,555	99.32
2013	67,999,506	65,978,452	97.03	1,606,209	67,584,661	99.39
2012	69,287,808	67,137,625	96.90	1,816,676	68,954,301	99.52
2011	68,432,918	65,856,223	96.23	2,403,218	68,259,441	99.75
2010	63,313,995	60,815,693	96.05	2,482,880	63,298,573	99.98
2009	63,092,120	60,793,899	96.36	2,293,294	63,087,193	99.99

Source: The source of this information is the 2018 Pima County Treasurer's records.

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

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

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

Fiscal Year Ended June 30	General Obligation Bonds					Total Outstanding Debt				
	General Obligation Bonds	Less: Amounts Restricted for Principal	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Capital Leases	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Percentage of Personal Income
2018	\$ 86,599,858	\$ 4,140,226	\$ 82,459,632	0.58 %	\$ 581	\$	\$ 86,599,858	0.61 %	\$ 610	0.20 %
2017	99,008,377	6,787,782	92,220,595	0.66	657		99,008,377	0.71	705	0.25
2016	94,709,926	6,672,019	88,037,907	0.66	754		94,709,926	0.71	811	0.24
2015	101,539,010	6,898,943	94,640,067	0.75	811		101,539,010	0.81	870	0.27
2014	111,113,094	7,500,462	103,612,632	0.83	888		111,113,094	0.89	952	0.30
2013	83,035,000	5,267,657	77,767,343	0.60	566		83,035,000	0.64	604	0.23
2012	95,635,000	2,049,090	93,585,910	0.69	841		95,635,000	0.70	859	0.27
2011	109,870,000	3,516,352	106,353,648	0.73	940		109,870,000	0.75	971	0.32
2010	75,705,000	2,658,106	73,046,894	0.49	634		75,705,000	0.51	657	0.22
2009	61,990,000	3,550,483	58,439,517	0.40	420		61,990,000	0.43	445	0.19

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

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2018**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to School District</u>	<u>Estimated Amount Applicable to School District</u>
Overlapping:			
Pima County	321,285,000	18.40 %	\$ 59,116,440
Golder Ranch Fire Department	4,214,000	99.85	4,207,679
Northwest Fire District	22,410,000	26.72	5,987,952
City of Tucson	200,270,000	8.06	16,141,762
Subtotal, Overlapping Debt			<u>85,453,833</u>
Direct:			
Amphitheater Unified School District No. 10			<u>86,599,858</u>
Total Direct and Overlapping Governmental Activities Debt			<u><u>\$ 172,053,691</u></u>

DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation		5.59 %
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 1,182	
As a Percentage of Net Limited Assessed Valuation		11.39 %
As a Percentage of Gross Full Cash Value		1.18 %

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

- Notes:**
- 1) Estimated percentage of debt outstanding applicable to the District is calculated based on a portion of the District's net limited assessed valuation as a percentage of the net limited assessed valuation of the overlapping jurisdiction.
 - 2) Outstanding debt as of June 30, 2017 is presented for the overlapping governments as this is the most recent available information.

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

Class B Bond Legal Debt Margin Calculation for Fiscal Year 2018

Net full cash assessed valuation	\$ 1,542,045,109
Debt limit (20% of assessed value)	308,409,022
Debt applicable to limit	<u>86,665,173</u>
Legal debt margin	<u><u>\$ 221,743,849</u></u>

Total Legal Debt Margin Calculation for Fiscal Year 2018:

Net full cash assessed valuation	\$ 1,542,045,109
Debt limit (30% of assessed value)	462,613,533
Debt applicable to limit	<u>86,665,173</u>
Legal debt margin	<u><u>\$ 375,948,360</u></u>

Fiscal Year Ended June 30

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Debt Limit	\$ 462,613,533	\$ 452,810,207	\$ 437,041,997	\$ 416,589,638	\$ 418,308,396
Total net debt applicable to limit	<u>86,665,173</u>	<u>99,008,378</u>	<u>91,035,000</u>	<u>97,530,000</u>	<u>106,770,000</u>
Legal debt margin	<u><u>\$ 375,948,360</u></u>	<u><u>\$ 353,801,829</u></u>	<u><u>\$ 346,006,997</u></u>	<u><u>\$ 319,059,638</u></u>	<u><u>\$ 311,538,396</u></u>

Total net debt applicable to the limit as a percentage of debt limit	19%	22%	21%	23%	26%
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	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Debt Limit	\$ 444,803,499	\$ 468,583,180	\$ 510,386,768	\$ 527,246,080	\$ 514,647,796
Total net debt applicable to limit	<u>83,035,000</u>	<u>95,635,000</u>	<u>109,870,000</u>	<u>75,705,000</u>	<u>61,990,000</u>
Legal debt margin	<u><u>\$ 361,768,499</u></u>	<u><u>\$ 372,948,180</u></u>	<u><u>\$ 400,516,768</u></u>	<u><u>\$ 451,541,080</u></u>	<u><u>\$ 452,657,796</u></u>

Total net debt applicable to the limit as a percentage of debt limit	19%	20%	22%	14%	12%
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Source: The source of this information is the District's financial records.

- Notes:** 1) The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds outstanding and the statutory debt limit on Class B bonds outstanding. The calculations of the debt margins are presented in detail for the current fiscal year only.
- 2) Prior to FY17, net bond premium was restricted by amount and not subject to the statutory debt limit. Beginning with FY17, any additional net premium used for capital projects, bond counsel, printing and preparation of offering documents, a financial advisor, paying agent costs or to pay down debt is counted against both debt limits with the exception of amounts of premium deposited into the Debt Service Fund or a refunding escrow to pay interest payments.

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

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands)</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>	<u>Estimated District Population</u>
2017	1,022,769	\$ 42,585,256	\$ 41,637	4.5 %	142,000
2016	1,013,103	40,182,115	39,541	4.9	140,342
2015	1,009,371	38,922,402	38,536	6.0	116,740
2014	1,004,516	37,198,714	37,031	6.2	116,740
2013	996,046	36,935,363	37,063	7.0	116,740
2012	990,380	36,058,871	36,335	7.3	137,500
2011	986,081	34,931,620	35,371	8.4	111,283
2010	980,263	34,360,759	34,987	9.0	113,176
2009	1,018,012	34,516,424	33,833	8.3	115,220
2008	1,012,018	32,900,000	32,321	5.1	139,280

Sources: The source of the "Personal Income" and "Per Capita" information is the Bureau of Economic Analysis. The source of the "Population" and "Unemployment Rate" information from 2008 through 2010 is the University of Arizona, Eller College of Management, Economic and Business Research Center. For 2011 through 2017, the source of the information is the Arizona Office of Employment and Population Statistics.

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

<u>Employer</u>	<u>2018</u>		<u>2009</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
University of Arizona	10,846	2.27 %		%
Raytheon Missile Systems	10,300	2.16		
Davis-Monthan Air Force Base	9,100	1.91		
State of Arizona	8,807	1.85		
Wal-Mart Stores, Inc.	7,450	1.56		
Tucson Unified School District	7,688	1.61		
U.S. Border Patrol	6,500	1.36		
University of Arizona Health Network	6,099	1.28		
Pima County	6,076	1.27		
Freeport-McMoRan Copper & Gold	5,463	1.15		
Northwest Hospital			2,289	3.47
Ventana Medical Systems			788	1.19
El Conquistador			500	0.76
Town of Oro Valley			430	0.65
Miraval			350	0.53
Sierra Tucson			300	0.45
Tucson Heart Hospital			225	0.34
Tucson National Resort			220	0.33
Westward Look			209	0.32
Total	<u>78,329</u>	<u>16.42 %</u>	<u>5,311</u>	<u>8.04 %</u>
Total employment	<u>477,017</u>		<u>65,995</u>	

Source: The 2018 information is from the Star 200 and the U.S Census Bureau, 2014 and the 2009 information is from the Star 200 and the U.S. Census Bureau, 2008.

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

	Full-time Equivalent Employees as of June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Supervisory					
Superintendent	1	1			
Assistant superintendents	2	1			
Consultants/supervisors of instruction	3	6	7	9	9
Principals	19	19	18	18	17
Assistant principals	16	16	14	17	15
Total supervisory	<u>41</u>	<u>43</u>	<u>39</u>	<u>44</u>	<u>41</u>
Instruction					
Teachers	776	807	773	780	782
Aides	209	164	160	156	156
Total instruction	<u>985</u>	<u>971</u>	<u>933</u>	<u>936</u>	<u>938</u>
Student Services					
Guidance Counselors	18	18	16	19	19
Librarians	25	24	24	23	23
Psychologists	11	13	12	14	12
Technicians	28	30	25	24	24
Therapists	11	20	11	18	8
Other	90	91	93	105	97
Total student services	<u>183</u>	<u>196</u>	<u>181</u>	<u>203</u>	<u>183</u>
Support and Administration					
Transportation	123	125	127	130	132
Food Service	86	81	82	87	90
Custodial/Maintenance	169	160	161	177	181
Security Services	55	51	54	49	58
Other Administrative Support	162	147	170	170	166
Total support and administration	<u>595</u>	<u>564</u>	<u>594</u>	<u>613</u>	<u>627</u>
Total	<u>1,804</u>	<u>1,774</u>	<u>1,747</u>	<u>1,796</u>	<u>1,789</u>

(Continued)

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

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

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

(Concluded)

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

Fiscal Year Ended June 30	Average Daily Membership	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Free/Reduced Students
2018	13,293	\$ 109,306,625	\$ 8,223	(2.29) %	\$ 120,928,159	\$ 9,097	(3.33) %	985	13.5	46.5 %
2017	13,459	113,267,840	8,415	5.28	126,656,363	9,410	3.58	971	13.9	56.0
2016	13,358	106,773,383	7,993	(1.32)	121,360,357	9,085	(2.92)	933	14.3	48.2
2015	13,352	108,157,681	8,100	3.47	124,952,846	9,358	3.91	936	14.3	47.6
2014	13,749	107,637,183	7,829	(0.60)	123,818,404	9,006	(0.23)	938	14.7	47.3
2013	13,820	108,842,705	7,876	0.42	124,738,952	9,026	1.42	949	14.6	47.2
2012	13,959	109,472,985	7,842	(0.54)	124,225,616	8,899	1.14	959	14.6	48.0
2011	14,238	112,262,701	7,885	(2.10)	125,277,202	8,799	(0.25)	1,025	13.9	46.1
2010	15,122	121,790,695	8,054	(5.33)	133,383,552	8,820	(5.25)	1,074	14.1	42.9
2009	15,094	128,411,833	8,507	5.51	140,511,601	9,309	4.96	1,267	11.9	41.5

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

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

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

	Fiscal Year Ended June 30									
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>Schools</u>										
Elementary										
Buildings	106	100	99	98	98	103	117	125	130	131
Square feet	843,435	790,666	788,506	782,549	782,549	775,114	775,114	776,659	729,264	729,264
Capacity	8,950	7,923	7,923	7,860	7,860	7,860	8,209	8,209	8,209	8,160
Enrollment	5,232	4,674	4,649	4,704	5,031	5,098	5,161	5,356	5,615	5,756
Middle										
Buildings	36	36	32	32	32	39	45	51	46	47
Square feet	352,666	352,666	345,664	345,664	345,664	359,824	363,106	367,446	337,499	337,499
Capacity	5,532	3,127	3,127	3,110	3,110	3,110	3,030	3,030	3,030	2,990
Enrollment	3,137	1,806	1,728	1,781	1,821	1,927	2,020	2,075	2,114	2,207
High										
Buildings	63	63	63	74	74	73	78	88	88	88
Square feet	893,460	893,460	893,347	913,496	913,496	907,309	907,309	919,154	907,325	907,325
Capacity	4,561	7,492	7,492	6,920	6,920	6,920	6,950	6,950	6,950	6,950
Enrollment	4,638	4,626	4,648	4,707	4,663	4,726	4,730	4,744	5,116	4,800
Other										
Buildings	57	57	62	61	61	64	66	69	69	69
Square feet	465,114	465,114	428,521	428,071	428,071	434,551	434,551	427,723	413,049	413,049
Capacity	3,501	3,501	3,501	3,010	3,010	3,010	2,950	2,950	2,950	2,950
Enrollment		2,252	2,222	2,193	2,168	2,082	2,047	2,064	2,278	2,368
<u>Administrative</u>										
Buildings	10	10	10	10	10	10	11	10	10	11
Square feet	91,822	91,822	91,822	90,777	90,777	90,777	90,777	44,133	44,133	44,133
<u>Transportation</u>										
Garages	1	1	1	1	1	1	1	1	1	1
Buses	143	143	131	130	129	125	125	146	132	138
<u>Athletics</u>										
Football fields	8	8	8	8	8	8	8	8	8	8
Soccer fields	29	29	29	29	29	29	29	29	31	31
Running tracks	8	8	8	8	8	8	8	8	8	8
Baseball/softball	19	19	19	19	19	19	19	19	19	19
Swimming pools	1	1	1	1	1	1	1	1	1	1
Playgrounds	14	14	14	14	14	14	14	14	14	14
Sand Volleyball	12									

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

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