

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**

**DOUGLAS, ARIZONA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Issued by:  
Business and Finance Department

# **DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**

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## **INTRODUCTORY SECTION**



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## ***DOUGLAS UNIFIED SCHOOL DISTRICT # 27***

*Administrative Offices ~ 1132 12<sup>th</sup> Street*

*Douglas, Arizona 85607*

*(520) 364-2447 ~ Fax: (520) 224-2470*

**Sheila A. Rogers**  
Superintendent

**Cesar Soto**  
Business Manager

**Gloria “Bonnie” Lopez**  
Assistant Superintendent

December 19, 2013

Citizens and Governing Board  
Douglas Unified School District No. 27  
1132 12th St.  
Douglas, AZ 85607

State law mandates that school districts required to undergo an annual single audit publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States of America 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 Douglas Unified School District No. 27 (District) for the fiscal year ended June 30, 2013.

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, 2013, 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, 2013, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated Single Audit as required by the provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the District's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in a separately issued Single Audit Reporting Package.

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

## **PROFILE OF THE DISTRICT**

The District is one of 24 public school districts located in Cochise County, Arizona. It provides a program of public education from preschool through grade twelve with an estimated current enrollment of 3,681 students.

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

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

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

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

Douglas lies in a southeastern corner of Arizona on the border with Agua Prieta, Sonora, Mexico, at an elevation of nearly 3,990 feet. Its citizens enjoy a quiet, rural lifestyle and one of the best climates in the nation.

The population of Douglas is approximately 18,000 people, and the population of Agua Prieta is over 150,000. The two cities, separated by a chain link fence, share an interdependent economy and culture.

The Douglas area is composed of a population in which approximately 88% of the people are Hispanic. The Douglas Unified School District serves 3,700 students, 15% of whom are considered English Language Learners (ELL). The District has developed a strong English As A Second Language (ESL) program to serve these students. The District also has a Free and Reduced Lunch student population of 89%, which allows for eligibility for Federal grant funding.

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

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

## **FACTORS AFFECTING FINANCIAL CONDITION**

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

**Local Economy.** Douglas, on the Mexican border, is 118 miles southeast of Tucson, and is reached via Interstate 10 to U.S. 80. Across the border from Douglas is Agua Prieta, Sonora, Mexico. Douglas, at an elevation of 3,990 feet, was founded in 1901 as a site for a copper smelter and was incorporated in 1905. However, the smelter curtailed operations in 1987. Originally, it was an annual round-up spot for ranchers. Agriculture and ranching are still important segments of the area's economy.

Because of its location on the U.S.-Mexico border, international commerce is an important part of the local economy. Douglas has three manufacturing plants; and Agua Prieta has 23, many of the latter operating under the twin-plant concept. The lure of shopping and sight-seeing in “Old Mexico” and the nearness to several outdoor recreation areas have made tourism and retirement significant to Douglas’ economy.

Major private employers include Walmart Stores, Inc., Southeast Arizona Medical Center, Bashas’. Major public employers include Cochise County, Arizona Department of Corrections, Douglas Unified School District No. 27, U.S. Border Patrol, Cochise College, City of Douglas, U.S. Customs, and Homeland Security: Field Operations.

**Long-term Financial Planning.** By planning for long range goals of maintaining facilities, the District is able to optimize the use of building renewal money to upgrade and maintain existing buildings in an ongoing plan. Systematic improvements allow the District to improve sites to minimize utility usage and provide a safe and upgraded environment for student learning. The average age of school buildings is 70 years.

By benefiting from an 89% E-rate funded technology, the District is upgrading technology to students and staff. Communication systems throughout the District are being upgraded to allow for prompt and efficient communications between classrooms, offices and the public.

After seeing a decrease in enrollment of 6 percent during the 2012-13 school year, the District is projecting enrollment to remain stable at 3,600 for 2013-14.

## **AWARDS AND ACKNOWLEDGMENTS**

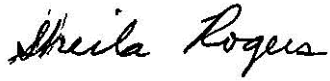
**Awards.** The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2012. This was the eighth consecutive year that the District has received 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, 2012. 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 2012-13 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 business and finance department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

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

Respectfully submitted,

A handwritten signature in cursive script that reads "Sheila Rogers".

Sheila Rogers  
Superintendent

A handwritten signature in cursive script that reads "Cesar Soto".

Cesar Soto  
Business Manager

# Association of School Business Officials International



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

## **Douglas Unified School District No. 27**

*For Its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2012*

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



Ron McCulley, CPPB, RSBO  
President

John D. Musso, CAE, RSBA  
Executive Director



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Douglas Unified School  
District No. 27, Arizona**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

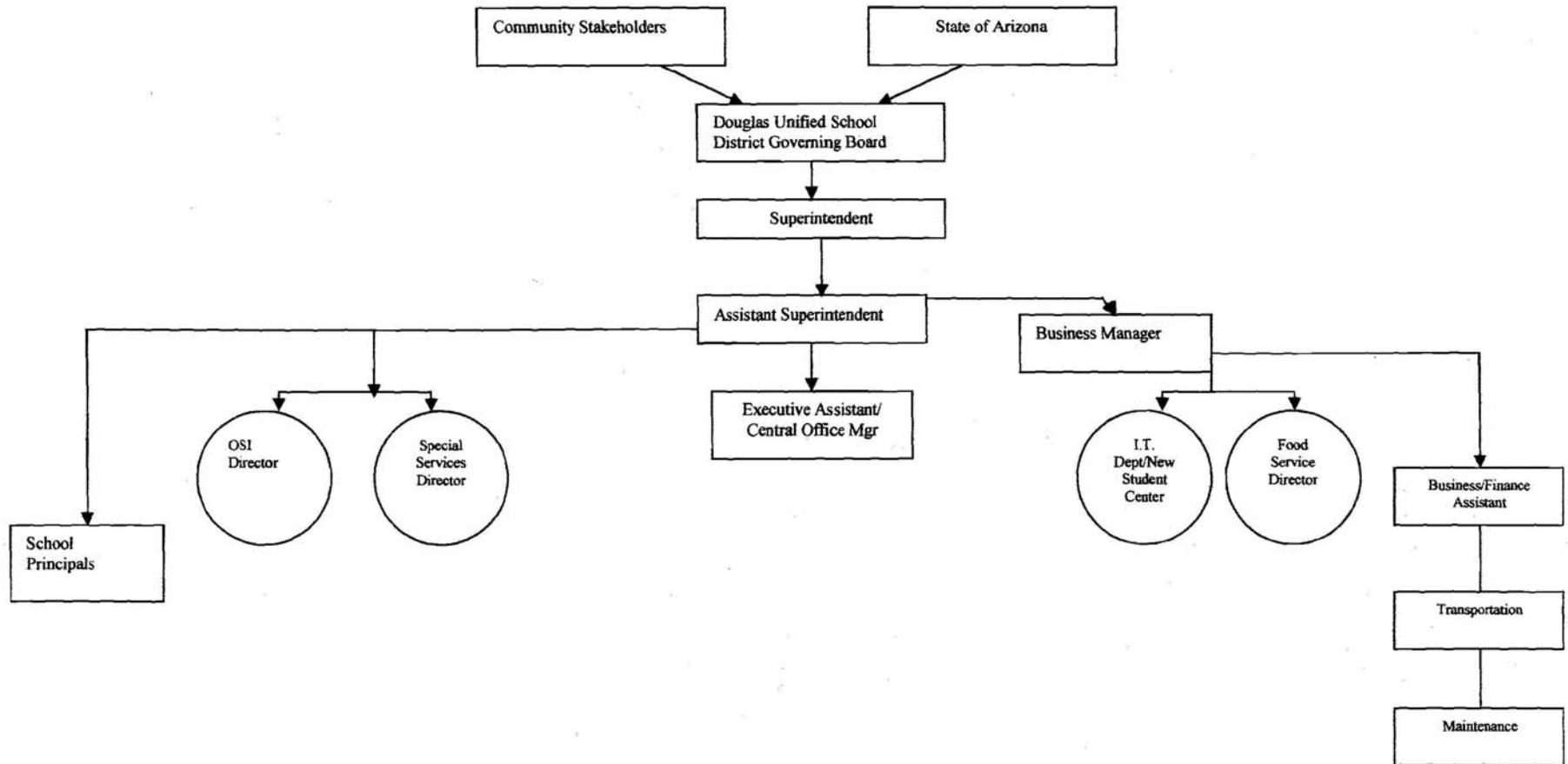
**June 30, 2012**

Executive Director/CEO



Douglas Unified School District No. 27  
Organizational Chart 2012-13

VIII



**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**

**LIST OF PRINCIPAL OFFICIALS**

**GOVERNING BOARD**

Mike Ortega  
President

Susan Kramer  
Member

Patricia Lopez  
Member

Dr. Ed Gomez  
Member

Natalio Sabal  
Member

**ADMINISTRATIVE STAFF**

Sheila A. Rogers, Superintendent

Gloria “Bonnie” Lopez, Assistant Superintendent/Human Resources Director

Cesar Soto, Business Manager

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## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

Governing Board  
Douglas Unified School District No. 27

### **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 Douglas Unified School District No. 27 (District), as of and for the year ended June 30, 2013, 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 District'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 District'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 Douglas Unified School District No. 27, as of June 30, 2013, and the respective changes in financial position thereof for the year then ended in conformity 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. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, for the year ended June 30, 2013, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 14 and budgetary comparison information on pages 50 through 52 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

#### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2013, on our consideration of Douglas Unified School District No. 27'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 Douglas Unified School District No. 27's internal control over financial reporting and compliance.

*Heinfeld, Meech & Co., P.C.*

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

December 19, 2013

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



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**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2013**

As management of the Douglas Unified School District No. 27 (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the current fiscal year. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**FINANCIAL HIGHLIGHTS**

- The District's total net position of governmental activities decreased \$3.9 million which represents a 10 percent decrease from the prior fiscal year due to the utilization of net position for operational costs.
- General revenues accounted for \$17.7 million in revenue, or 67 percent of all current fiscal year revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$8.7 million or 33 percent of total current fiscal year revenues.
- The District had approximately \$30.4 million in expenses related to governmental activities, a decrease of less than one percent from the prior fiscal year.
- Among major funds, the General Fund had \$16.2 million in current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$18.3 million in expenditures. The General Fund's fund balance decrease from \$5.8 million at the prior fiscal year end to \$3.4 million at the end of the current fiscal year was primarily due to the utilization of fund balance for operational expenditures.
- The Title I Grants Fund had \$3.4 million in current fiscal year revenues, which consisted entirely of federal grants, and \$3.4 million in expenditures.
- The Debt Service Fund had \$415,706 in current fiscal year revenues, which primarily consisted of property taxes, and \$599,512 in expenditures.

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2013**

**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.

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

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

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

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

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2013**

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

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

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

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

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget process. The District adopts an annual expenditure budget for all governmental funds. A schedule of revenues, expenditures and changes in fund balances – budget and actual has been provided for the General Fund and major Special Revenue Fund as required supplementary information.

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2013**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$34.9 million as 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), 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 represents resources that are subject to external restrictions on how they may be used. The remaining balance is unrestricted and may be used to meet the District's ongoing obligations to its citizens and creditors.

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2013 and June 30, 2012.

|                                  | As of<br>June 30, 2013 | As of<br>June 30, 2012 |
|----------------------------------|------------------------|------------------------|
| Current and other assets         | \$ 9,596,592           | \$ 11,936,036          |
| Capital assets, net              | 36,453,992             | 37,761,875             |
| <b>Total assets</b>              | <u>46,050,584</u>      | <u>49,697,911</u>      |
| Current and other liabilities    | 2,466,967              | 1,928,850              |
| Long-term liabilities            | 8,677,569              | 8,952,969              |
| <b>Total liabilities</b>         | <u>11,144,536</u>      | <u>10,881,819</u>      |
| <b>Net position:</b>             |                        |                        |
| Net investment in capital assets | 28,343,182             | 29,276,531             |
| Restricted                       | 2,954,030              | 3,558,660              |
| Unrestricted                     | 3,608,836              | 5,980,901              |
| <b>Total net position</b>        | <u>\$ 34,906,048</u>   | <u>\$ 38,816,092</u>   |

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2013**

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

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

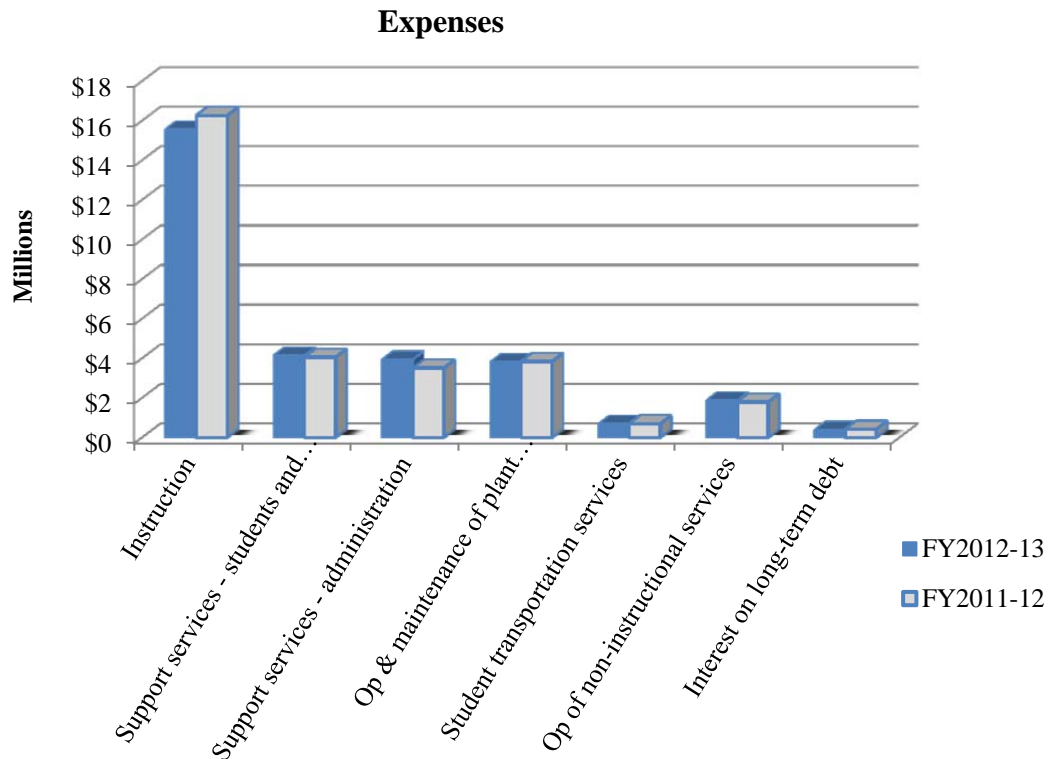
- The principal retirement of \$305,000 of bonds.
- The addition of \$596,419 in capital assets through land acquisitions, school improvements and purchases of vehicles, furniture and equipment.
- The addition of \$1.9 million in accumulated depreciation.

**Changes in net position.** The District's total revenues for the current fiscal year were \$26.5 million. The total cost of all programs and services was \$30.4 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2013 and June 30, 2012.

|   | Fiscal Year<br>Ended<br>June 30, 2013 | Fiscal Year<br>Ended<br>June 30, 2012 |
|---|---------------------------------------|---------------------------------------|
| <b>Revenues:</b>                            |                                       |                                       |
| Program revenues:                           |                                       |                                       |
| Charges for services                        | \$ 1,411,544                          | \$ 1,775,914                          |
| Operating grants and contributions          | 6,846,685                             | 7,013,310                             |
| Capital grants and contributions            | 488,268                               | 533,701                               |
| General revenues:                           |                                       |                                       |
| Property taxes                              | 1,912,845                             | 2,107,328                             |
| Investment income                           | 19,895                                | 39,679                                |
| Unrestricted county aid                     | 1,124,042                             | 987,121                               |
| Unrestricted state aid                      | 14,638,011                            | 14,895,290                            |
| Unrestricted federal aid                    | 54,104                                |                                       |
| <b>Total revenues</b>                       | <u>26,495,394</u>                     | <u>27,352,343</u>                     |
| <b>Expenses:</b>                            |                                       |                                       |
| Instruction                                 | 15,561,057                            | 16,260,656                            |
| Support services – students and staff       | 4,146,037                             | 4,044,306                             |
| Support services – administration           | 3,937,840                             | 3,506,391                             |
| Operation and maintenance of plant services | 3,809,971                             | 3,835,953                             |
| Student transportation services             | 685,326                               | 688,064                               |
| Operation of non-instructional services     | 1,878,777                             | 1,790,705                             |
| Interest on long-term debt                  | 386,430                               | 408,367                               |
| <b>Total expenses</b>                       | <u>30,405,438</u>                     | <u>30,534,442</u>                     |
| <b>Changes in net position</b>              | <u>(3,910,044)</u>                    | <u>(3,182,099)</u>                    |
| <b>Net position, beginning</b>              | <u>38,816,092</u>                     | <u>41,998,191</u>                     |
| <b>Net position, ending</b>                 | <u>\$ 34,906,048</u>                  | <u>\$ 38,816,092</u>                  |

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2013**

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



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

- The decrease of \$364,370 in charges for services was primarily due to a reduction in Joint Technical Education receipts.
- The \$257,279 decrease in unrestricted state aid was due to state-wide budget cuts.
- The decrease of \$699,599 in instruction expenses was primarily due to a decrease in student population.

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.

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2013**

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

|   | Year Ended June 30, 2013 |                       | Year Ended June 30, 2012 |                       |
|---|--------------------------|-----------------------|--------------------------|-----------------------|
|   | Total                    | Net                   | Total                    | Net                   |
|   | Expenses                 | (Expense)/<br>Revenue | Expenses                 | (Expense)/<br>Revenue |
| Instruction                                 | \$ 15,561,057            | \$(11,806,343)        | \$ 16,260,656            | \$(11,872,919)        |
| Support services – students and staff       | 4,146,037                | (1,620,125)           | 4,044,306                | (2,013,948)           |
| Support services – administration           | 3,937,840                | (3,660,171)           | 3,506,391                | (3,284,108)           |
| Operation and maintenance of plant services | 3,809,971                | (3,771,302)           | 3,835,953                | (3,417,311)           |
| Student transportation services             | 685,326                  | (685,326)             | 688,064                  | (682,561)             |
| Operation of non-instructional services     | 1,878,777                | 210,804               | 1,790,705                | 398,235               |
| Interest on long-term debt                  | 386,430                  | (326,478)             | 408,367                  | (338,905)             |
| <b>Total</b>                                | <u>\$ 30,405,438</u>     | <u>\$(21,658,941)</u> | <u>\$ 30,534,442</u>     | <u>\$(21,211,517)</u> |

- The cost of all governmental activities this year was \$30.4 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$8.7 million.
- Net cost of governmental activities of \$21.7 million was financed by general revenues, which are made up of primarily property taxes of \$1.9 million and unrestricted state aid of \$14.6 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 \$6.2 million, a decrease of \$2.8 million primarily due to the utilization of fund balances for operational expenditures.



**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2013**

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

The General Fund comprises 55 percent of the total fund balance. Approximately \$3.1 million, or 91 percent of the General Fund's fund balance constitutes unassigned fund balance. The remainder represents nonspendable fund balance for prepaid items.

The General Fund is the principal operating fund of the District. The decrease in fund balance of \$2.3 million to \$3.4 as of fiscal year end was a result of the utilization of fund balance for operational expenditures. General Fund revenues decreased \$20,746 and General Fund expenditures decreased \$49,053.

The Debt Service Fund's fund balance decreased \$183,806. Debt Service revenues decreased \$194,104 as a result of decreasing property tax revenues due to reductions in assessed values and property tax rates. Debt Service expenditures decreased \$2,626 from the prior year.

**BUDGETARY HIGHLIGHTS**

Over the course of the year, the District revised the General Fund annual expenditure budget. The difference between the original budget and the final amended budget was a \$25,636 increase, or less than one percent.

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. 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. The favorable variance of \$356,158 in support services – administration was a result of asking Principals to be more conservative with their spending. District leadership decided to take this measure because of a decline in enrollment and therefore a decline in funding for the following school year; the District was able to have a bigger carryover because of this reduction.

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2013**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** At year end, the District had invested \$57.7 million in capital assets, including land, school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$454,775 from the prior fiscal year, primarily due to land acquisitions, building upgrades and the purchase of vehicles, furniture, and equipment. Total depreciation expense for the current fiscal year was \$1.9 million.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2013 and June 30, 2012.

|                                   | As of<br><u>June 30, 2013</u> | As of<br><u>June 30, 2012</u> |
|-----------------------------------|-------------------------------|-------------------------------|
| Capital assets – non-depreciable  | \$ 223,488                    | \$ 59,000                     |
| Capital assets – depreciable, net | 36,230,504                    | 37,702,875                    |
| <b>Total</b>                      | <u>\$ 36,453,992</u>          | <u>\$ 37,761,875</u>          |

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

**Debt Administration.** At year end, the District had \$8.1 million in long-term debt outstanding, \$407,548 due within one year.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 30 percent of the total secondary assessed valuation) and the statutory debt limit on Class B bonds (the greater of 10 percent of the secondary assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$22.4 million and the Class B debt limit is \$7.5 million, which are more than the District's total outstanding general obligation and Class B debt, respectively.

Additional information on the District's long-term debt can be found in Notes 8 through 10.

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2013**

**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 2013-14 budget. Among them:

- Fiscal year 2012-13 budget balance carry forward (\$373,546).
- K-3 reading increase (\$124,486).

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

Budgeted expenditures in the General Fund decreased 3 percent to \$18.0 million in fiscal year 2013-14. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2013-14 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 Business and Finance Department, Douglas Unified School District No. 27, 1132 12th Street, Douglas, Arizona 85607.

## **BASIC FINANCIAL STATEMENTS**

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## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2013**

|  | <u>Governmental<br/>Activities</u> |
|--|------------------------------------|
| <b><u>ASSETS</u></b>                         |                                    |
| Current assets:                              |                                    |
| Cash and investments                         | \$ 2,439,192                       |
| Property taxes receivable                    | 421,699                            |
| Due from governmental entities               | 6,133,555                          |
| Prepaid items                                | 323,988                            |
| Other assets                                 | 59,847                             |
| Total current assets                         | <u>9,378,281</u>                   |
| Noncurrent assets:                           |                                    |
| Deferred charges                             | 218,311                            |
| Land   | 223,488                            |
| Land improvements                            | 2,560,613                          |
| Buildings and improvements                   | 48,945,847                         |
| Vehicles, furniture and equipment            | 5,953,468                          |
| Accumulated depreciation                     | <u>(21,229,424)</u>                |
| Total noncurrent assets                      | <u>36,672,303</u>                  |
| <b>Total assets</b>                          | <u><b>46,050,584</b></u>           |
| <b><u>LIABILITIES</u></b>                    |                                    |
| Current liabilities:                         |                                    |
| Accounts payable                             | 227,101                            |
| Credit line payable                          | 750,000                            |
| Accrued payroll and employee benefits        | 1,289,917                          |
| Compensated absences payable                 | 289,285                            |
| Accrued interest payable                     | 144,756                            |
| Unearned revenues                            | 55,193                             |
| Obligations under capital leases             | 97,548                             |
| Bonds payable                                | 310,000                            |
| Total current liabilities                    | <u>3,163,800</u>                   |
| Noncurrent liabilities:                      |                                    |
| Non-current portion of long-term obligations | <u>7,980,736</u>                   |
| Total noncurrent liabilities                 | <u>7,980,736</u>                   |
| <b>Total liabilities</b>                     | <u><b>11,144,536</b></u>           |
| <b><u>NET POSITION</u></b>                   |                                    |
| Net investment in capital assets             | 28,343,182                         |
| Restricted for:                              |                                    |
| Federal and state projects                   | 595,323                            |
| Food service                                 | 394,182                            |
| Other local initiatives                      | 896,228                            |
| Debt service                                 | 127,451                            |
| Capital outlay                               | 940,846                            |
| Unrestricted                                 | <u>3,608,836</u>                   |
| <b>Total net position</b>                    | <u><b>\$ 34,906,048</b></u>        |

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2013**

| Functions/Programs                          | Expenses             | Program Revenues        |  |  | Net (Expense)<br>Revenue and<br>Changes in Net<br>Position |
|---|----------------------|-------------------------|--|--|--|
|   |                      | Charges for<br>Services | Operating<br>Grants and<br>Contributions | Capital Grants<br>and<br>Contributions |  |
| <b>Governmental activities:</b>             |                      |                         |  |  |  |
| Instruction                                 | \$ 15,561,057        | \$ 963,143              | \$ 2,363,255                             | \$ 428,316                             | \$ (11,806,343)  |
| Support services - students and staff       | 4,146,037            |                         | 2,525,912                                |  | (1,620,125)  |
| Support services - administration           | 3,937,840            |                         | 277,669                                  |  | (3,660,171)  |
| Operation and maintenance of plant services | 3,809,971            | 38,669                  |  |  | (3,771,302)  |
| Student transportation services             | 685,326              |                         |  |  | (685,326)  |
| Operation of non-instructional services     | 1,878,777            | 409,732                 | 1,679,849                                |  | 210,804  |
| Interest on long-term debt                  | 386,430              |                         |  | 59,952                                 | (326,478)  |
| <b>Total governmental activities</b>        | <u>\$ 30,405,438</u> | <u>\$ 1,411,544</u>     | <u>\$ 6,846,685</u>                      | <u>\$ 488,268</u>                      | <u>(21,658,941)</u>  |

**General revenues:**

Taxes:

|   |                   |
|---|-------------------|
| Property taxes, levied for general purposes | 1,163,447         |
| Property taxes, levied for debt service     | 378,410           |
| Property taxes, levied for capital outlay   | 370,988           |
| Investment income                           | 19,895            |
| Unrestricted county aid                     | 1,124,042         |
| Unrestricted state aid                      | 14,638,011        |
| Unrestricted federal aid                    | 54,104            |
| <b>Total general revenues</b>               | <u>17,748,897</u> |

**Changes in net position** (3,910,044)

**Net position, beginning of year** 38,816,092

**Net position, end of year** \$ 34,906,048

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



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## **FUND FINANCIAL STATEMENTS**

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2013**

|   | <u>General</u>             | <u>Title I Grants</u>    | <u>Debt Service</u>      |
|---|----------------------------|--------------------------|--------------------------|
| <b><u>ASSETS</u></b>                        |                            |                          |                          |
| Cash and investments                        | \$ 27,107                  | \$                       | \$ 496,336               |
| Property taxes receivable                   | 256,084                    |                          | 85,871                   |
| Due from governmental entities              | 4,841,647                  | 396,711                  |                          |
| Due from other funds                        |                            |                          |                          |
| Prepaid items                               | 323,988                    |                          |                          |
| Other assets                                |                            |                          |                          |
| <b>Total assets</b>                         | <u><u>\$ 5,448,826</u></u> | <u><u>\$ 396,711</u></u> | <u><u>\$ 582,207</u></u> |
| <b><u>LIABILITIES AND FUND BALANCES</u></b> |                            |                          |                          |
| Liabilities:                                |                            |                          |                          |
| Accounts payable                            | \$ 108,466                 | \$ 18,011                | \$                       |
| Credit line payable                         | 750,000                    |                          |                          |
| Due to other funds                          |                            | 172,663                  |                          |
| Accrued payroll and employee benefits       | 931,496                    | 206,037                  |                          |
| Deferred revenues                           | 214,147                    |                          | 72,239                   |
| Bonds payable                               |                            |                          | 310,000                  |
| Bond interest payable                       |                            |                          | 144,756                  |
| <b>Total liabilities</b>                    | <u><u>2,004,109</u></u>    | <u><u>396,711</u></u>    | <u><u>526,995</u></u>    |
| Fund balances (deficits):                   |                            |                          |                          |
| Nonspendable                                | 323,988                    |                          |                          |
| Restricted                                  |                            |                          | 55,212                   |
| Unassigned                                  | 3,120,729                  |                          |                          |
| <b>Total fund balances</b>                  | <u><u>3,444,717</u></u>    | <u><u></u></u>           | <u><u>55,212</u></u>     |
| <b>Total liabilities and fund balances</b>  | <u><u>\$ 5,448,826</u></u> | <u><u>\$ 396,711</u></u> | <u><u>\$ 582,207</u></u> |

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

| Non-Major<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|------------------------------------|--------------------------------|
| \$ 1,915,749                       | \$ 2,439,192                   |
| 79,744                             | 421,699                        |
| 895,197                            | 6,133,555                      |
| 253,503                            | 253,503                        |
|                                    | 323,988                        |
| 59,847                             | 59,847                         |
| <u>\$ 3,204,040</u>                | <u>\$ 9,631,784</u>            |

|                |                  |
|----------------|------------------|
| \$ 100,624     | \$ 227,101       |
|                | 750,000          |
| 80,840         | 253,503          |
| 152,384        | 1,289,917        |
| 126,624        | 413,010          |
|                | 310,000          |
|                | 144,756          |
| <u>460,472</u> | <u>3,388,287</u> |

|                     |                     |
|---------------------|---------------------|
|                     | 323,988             |
| 2,789,940           | 2,845,152           |
| (46,372)            | 3,074,357           |
| <u>2,743,568</u>    | <u>6,243,497</u>    |
| <u>\$ 3,204,040</u> | <u>\$ 9,631,784</u> |

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**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2013**

|   |           |                  |
|---|-----------|------------------|
| <b>Total governmental fund balances</b> | <b>\$</b> | <b>6,243,497</b> |
|---|-----------|------------------|

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   | \$ 57,683,416       |            |
| Less accumulated depreciation | <u>(21,229,424)</u> | 36,453,992 |

|  |         |
|--|---------|
| Property tax revenue will not be available to pay for current period expenditures and, therefore, are deferred in the funds. | 357,817 |
|--|---------|

|   |         |
|---|---------|
| 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. | 218,311 |
|---|---------|

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

|                                  |                    |                    |
|----------------------------------|--------------------|--------------------|
| Compensated absences payable     | (560,970)          |                    |
| Obligations under capital leases | (1,021,599)        |                    |
| Bonds payable                    | <u>(6,785,000)</u> | <u>(8,367,569)</u> |

|  |           |                          |
|--|-----------|--------------------------|
| <b>Net position of governmental activities</b> | <b>\$</b> | <b><u>34,906,048</u></b> |
|--|-----------|--------------------------|

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2013**

|  | <u>General</u>             | <u>Title I Grants</u> | <u>Debt Service</u>     |
|--|----------------------------|-----------------------|-------------------------|
| <b>Revenues:</b>   |                            |                       |                         |
| Other local  | \$ 1,507,644               | \$                    | \$ 17,112               |
| Property taxes   | 1,340,956                  |                       | 398,594                 |
| State aid and grants                                     | 13,322,634                 |                       |                         |
| Federal aid, grants and reimbursements                   | 54,104                     | 3,361,840             |                         |
| <b>Total revenues</b>                                    | <u>16,225,338</u>          | <u>3,361,840</u>      | <u>415,706</u>          |
| <b>Expenditures:</b>                                     |                            |                       |                         |
| Current -  |                            |                       |                         |
| Instruction  | 9,468,175                  | 1,708,861             |                         |
| Support services - students and staff                    | 1,467,142                  | 1,389,342             |                         |
| Support services - administration                        | 3,430,236                  | 258,636               |                         |
| Operation and maintenance of plant services              | 3,193,473                  |                       |                         |
| Student transportation services                          | 548,609                    |                       |                         |
| Operation of non-instructional services                  | 19,600                     |                       |                         |
| Capital outlay   | 141,665                    | 4,746                 |                         |
| Debt service -   |                            |                       |                         |
| Principal retirement                                     |                            |                       | 310,000                 |
| Interest and fiscal charges                              |                            |                       | 289,512                 |
| <b>Total expenditures</b>                                | <u>18,268,900</u>          | <u>3,361,585</u>      | <u>599,512</u>          |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>(2,043,562)</u>         | <u>255</u>            | <u>(183,806)</u>        |
| <b>Other financing sources (uses):</b>                   |                            |                       |                         |
| Transfer in  | 182,763                    |                       |                         |
| Transfer out   | (88,275)                   | (255)                 |                         |
| <b>Total other financing sources (uses):</b>             | <u>94,488</u>              | <u>(255)</u>          |                         |
| <b>Changes in fund balances</b>                          | <u>(1,949,074)</u>         |                       | <u>(183,806)</u>        |
| <b>Fund balances, beginning of year</b>                  | 5,751,831                  |                       | 239,018                 |
| Increase (decrease) in reserve for prepaid items         | (358,040)                  |                       |                         |
| <b>Fund balances, end of year</b>                        | <u><u>\$ 3,444,717</u></u> | <u><u>\$</u></u>      | <u><u>\$ 55,212</u></u> |

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

| Non-Major<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|------------------------------------|--------------------------------|
| \$ 1,052,433                       | \$ 2,577,189                   |
| 223,068                            | 1,962,618                      |
| 1,418,706                          | 14,741,340                     |
| 3,848,076                          | 7,264,020                      |
| <u>6,542,283</u>                   | <u>26,545,167</u>              |
| 2,629,680                          | 13,806,716                     |
| 1,255,785                          | 4,112,269                      |
| 115,910                            | 3,804,782                      |
| 573                                | 3,194,046                      |
| 3,349                              | 551,958                        |
| 1,812,198                          | 1,831,798                      |
| 784,822                            | 931,233                        |
| 90,683                             | 400,683                        |
| 83,274                             | 372,786                        |
| <u>6,776,274</u>                   | <u>29,006,271</u>              |
| <u>(233,991)</u>                   | <u>(2,461,104)</u>             |
| 88,275                             | 271,038                        |
| <u>(182,508)</u>                   | <u>(271,038)</u>               |
| <u>(94,233)</u>                    |                                |
| <u>(328,224)</u>                   | <u>(2,461,104)</u>             |
| 3,071,792                          | 9,062,641                      |
|                                    | (358,040)                      |
| <u>\$ 2,743,568</u>                | <u>\$ 6,243,497</u>            |



**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**JUNE 30, 2013**

**Net changes in fund balances - total governmental funds** **\$ (2,819,144)**

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 | \$ 596,419         |             |
| Less current year depreciation      | <u>(1,891,587)</u> | (1,295,168) |

|  |  |          |
|--|--|----------|
| Property tax revenue in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. |  | (49,773) |
|--|--|----------|

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

|                                    |                |         |
|------------------------------------|----------------|---------|
| Capital lease principal retirement | 90,683         |         |
| Bond principal retirement          | <u>310,000</u> | 400,683 |

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

|                                     |                  |                  |
|-------------------------------------|------------------|------------------|
| Loss on disposal of capital assets  | (12,715)         |                  |
| Amortization of deferred bond items | (13,644)         |                  |
| Compensated absences                | <u>(120,283)</u> | <u>(146,642)</u> |

**Change in net position in governmental activities** **\$ (3,910,044)**

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2013**

|                           | <u>Agency</u>     |
|---------------------------|-------------------|
| <b><u>ASSETS</u></b>      |                   |
| Cash and investments      | \$ 974,843        |
| <b>Total assets</b>       | <u>\$ 974,843</u> |
| <b><u>LIABILITIES</u></b> |                   |
| Deposits held for others  | \$ 881,671        |
| Due to student groups     | 93,172            |
| <b>Total liabilities</b>  | <u>\$ 974,843</u> |

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

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**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Douglas Unified School District No. 27 (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, 2013, the District implemented the provisions of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASB Statement No. 63 establishes reporting guidance for certain elements of the financial statements which are distinct from assets and liabilities.

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

**A. Reporting Entity**

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

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

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

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

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

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

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

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

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

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

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

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

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

The District reports the following major governmental funds:

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

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

Title I Grants Fund – The Title I Grants Fund accounts 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.

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

Additionally, the District reports the following fund type:

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

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

**D. Cash and Investments**

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

**E. Investment Income**

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

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

**F. Receivables and Payables**

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

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

**G. Property Tax Calendar**

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

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

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

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



**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

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

**H. Prepaid Items**

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

**I. Capital Assets**

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

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

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

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

|                                   |               |
|-----------------------------------|---------------|
| Land improvements                 | 15 – 50 years |
| Buildings and improvements        | 10 – 50 years |
| Vehicles, furniture and equipment | 5 – 20 years  |

**J. Compensated Absences**

Compensated absences consist of vacation leave and a calculated amount of sick leave earned by employees based on services already rendered. Generally, sick leave benefits provide for ordinary sick pay and are cumulative but do not vest with employees and therefore, are not accrued. However, for employees with ten years of service and 80 points toward retirement, sick leave benefits do vest and, therefore, are accrued. The current and long-term liabilities, including related benefits, for accumulated vacation and sick leave are reported on the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee leave, resignations or retirements. Generally, resources from the General Fund are used to pay for compensated absences.

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

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

**K. Long-term Obligations**

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

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

**L. 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.

**M. Net Position Flow Assumption**

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

**N. Estimates**

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

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

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

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

***Assigned.*** Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Governing Board or a management official delegated that authority by the formal Governing Board action. The District does not have a formal policy or procedures for the utilization of assigned fund balance, accordingly, no assigned fund balance amounts are reported.

***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.

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

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

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

|                            | General<br>Fund     | Debt<br>Service<br>Fund | Non-Major<br>Governmental<br>Funds |
|----------------------------|---------------------|-------------------------|------------------------------------|
| Fund Balances:             |                     |                         |                                    |
| Nonspendable:              |                     |                         |                                    |
| Prepaid items              | \$ 323,988          | \$                      | \$                                 |
| Restricted:                |                     |                         |                                    |
| Debt service               |                     | 55,212                  |                                    |
| Capital projects           |                     |                         | 869,415                            |
| Bond building projects     |                     |                         | 5,789                              |
| Voter approved initiatives |                     |                         | 576,531                            |
| Federal and State projects |                     |                         | 47,795                             |
| Extracurricular activities |                     |                         | 49,719                             |
| Food service               |                     |                         | 394,182                            |
| Joint technical education  |                     |                         | 612,062                            |
| Other purposes             |                     |                         | 234,447                            |
| Unassigned                 | 3,120,729           |                         | (46,372)                           |
| Total fund balances        | <u>\$ 3,444,717</u> | <u>\$ 55,212</u>        | <u>\$ 2,743,568</u>                |

**NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Individual Deficit Fund Balance** – At year end, the E-Rate Fund, a non-major governmental fund, reported a deficit in fund balance of \$46,372.

The deficit arose because of operations during the previous and current years. Additional revenues received in fiscal year 2013-14 are expected to eliminate the deficit.

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 4 – CASH AND INVESTMENTS**

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

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of bank failure the District's deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District's deposits was \$1,169,105 and the bank balance was \$1,494,830.

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

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

|                                    | <u>Average Maturities</u> | <u>Fair Value</u> |
|------------------------------------|---------------------------|-------------------|
| County Treasurer's investment pool | 1.97 years                | \$ 2,244,930      |

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

*Credit Risk.* The District has no investment policy that would further limit its investment choices. As of year end, the District's investment in the County Treasurer's investment pool did not receive a credit quality rating from a national rating agency.

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 5 – RECEIVABLES**

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

|                                       | <u>General<br/>Fund</u> | <u>Title I<br/>Grants<br/>Fund</u> | <u>Non-Major<br/>Governmental<br/>Funds</u> |
|---------------------------------------|-------------------------|------------------------------------|---|
| Due from other governmental entities: |                         |                                    |   |
| Due from Federal government           | \$                      | \$ 396,711                         | \$ 205,791                                  |
| Due from State government             | 4,821,546               |                                    | 294,498                                     |
| Due from County government            | 20,101                  |                                    | 516   |
| Due from other districts              |                         |                                    | 394,392                                     |
| Net due from governmental entities    | <u>\$ 4,841,647</u>     | <u>\$ 396,711</u>                  | <u>\$ 895,197</u>                           |

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

|   | <u>Unavailable</u> | <u>Unearned</u>  |
|---|--------------------|------------------|
| Delinquent property taxes receivable (General Fund)   | \$ 214,147         | \$               |
| Delinquent property taxes receivable<br>(Debt Service Fund)                                     | 72,239             |                  |
| Delinquent property taxes receivable<br>(Non-Major Governmental Funds)                          | 71,431             |                  |
| Grant drawdowns prior to meeting all eligibility<br>requirements (Non-Major Governmental Funds) |                    | 55,193           |
| Total deferred revenue for governmental funds   | <u>\$ 357,817</u>  | <u>\$ 55,193</u> |

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 6 – CAPITAL ASSETS**

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

| Governmental Activities                      | Beginning<br>Balance | Increase             | Decrease         | Ending<br>Balance    |
|--|----------------------|----------------------|------------------|----------------------|
| Capital assets, not being depreciated:       |                      |                      |                  |                      |
| Land   | \$ 59,000            | \$ 164,488           | \$               | \$ 223,488           |
| Total capital assets, not being depreciated  | <u>59,000</u>        | <u>164,488</u>       |                  | <u>223,488</u>       |
| Capital assets, being depreciated:           |                      |                      |                  |                      |
| Land improvements                            | 2,572,070            | 6,704                | 18,161           | 2,560,613            |
| Buildings and improvements                   | 48,656,186           | 289,661              |                  | 48,945,847           |
| Vehicles, furniture and equipment            | <u>5,941,385</u>     | <u>135,566</u>       | <u>123,483</u>   | <u>5,953,468</u>     |
| Total capital assets being depreciated       | <u>57,169,641</u>    | <u>431,931</u>       | <u>141,644</u>   | <u>57,459,928</u>    |
| Less accumulated depreciation for:           |                      |                      |                  |                      |
| Land improvements                            | (800,071)            | (85,878)             | (18,161)         | (867,788)            |
| Buildings and improvements                   | (15,532,838)         | (1,395,803)          |                  | (16,928,641)         |
| Vehicles, furniture and equipment            | <u>(3,133,857)</u>   | <u>(409,906)</u>     | <u>(110,768)</u> | <u>(3,432,995)</u>   |
| Total accumulated depreciation               | <u>(19,466,766)</u>  | <u>(1,891,587)</u>   | <u>(128,929)</u> | <u>(21,229,424)</u>  |
| Total capital assets, being depreciated, net | <u>37,702,875</u>    | <u>(1,459,656)</u>   | <u>12,715</u>    | <u>36,230,504</u>    |
| Governmental activities capital assets, net  | <u>\$ 37,761,875</u> | <u>\$(1,295,168)</u> | <u>\$ 12,715</u> | <u>\$ 36,453,992</u> |

Depreciation expense was charged to governmental functions as follows.

|  |                    |
|--|--------------------|
| Instruction  | \$1,154,482        |
| Support Services – students and staff                | 12,296             |
| Support Services – administration                    | 24,464             |
| Operation and maintenance of plant services          | 570,974            |
| Student transportation services                      | 95,203             |
| Operation of non-instructional services              | <u>34,168</u>      |
| Total depreciation expense – governmental activities | <u>\$1,891,587</u> |

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 7 – SHORT TERM DEBT – REVOLVING LINE OF CREDIT**

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

|                          | Beginning<br>Balance | Issued            | Redeemed         | Ending<br>Balance |
|--------------------------|----------------------|-------------------|------------------|-------------------|
| Revolving line of credit | \$ <u>          </u> | \$ <u>794,000</u> | \$ <u>44,000</u> | \$ <u>750,000</u> |

**NOTE 8 – OBLIGATIONS UNDER CAPITAL LEASES**

The District has acquired utility management equipment under the provisions of a long-term lease agreement classified as a capital lease. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of its future minimum lease payments as of the inception date. Revenues from the Energy and Water Savings Fund, a non-major governmental fund, will be used to pay the capital lease obligations as they come due. The gross amount of assets acquired through the capital lease at the inception of the lease was \$1,680,000.

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

| Year Ending June 30:                    | Governmental<br>Activities |
|---|----------------------------|
| 2014                                    | \$ 174,883                 |
| 2015                                    | 174,883                    |
| 2016                                    | 174,883                    |
| 2017                                    | 174,883                    |
| 2018                                    | 174,883                    |
| 2019-21                                 | <u>524,649</u>             |
| Total minimum lease payments            | 1,399,064                  |
| Less: amount representing interest      | <u>377,465</u>             |
| Present value of minimum lease payments | <u>\$ 1,021,599</u>        |
| Due within one year                     | <u>\$ 97,548</u>           |



**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 9 – GENERAL OBLIGATION BONDS PAYABLE**

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

| <u>Purpose</u>   | <u>Original<br/>Amount<br/>Issued</u> | <u>Interest<br/>Rates</u> | <u>Remaining<br/>Maturities</u> | <u>Outstanding<br/>Principal<br/>June 30, 2013</u> | <u>Due<br/>Within<br/>One Year</u> |
|--|---------------------------------------|---------------------------|---------------------------------|--|------------------------------------|
| <b>Governmental activities:</b>                                      |                                       |                           |                                 |  |                                    |
| School Improvement Bonds, Projects<br>of 2009, Series 2010 (Class B) | \$7,648,000                           | 2.5-4.75%                 | 7/1/13-29                       | \$ 7,095,000                                       | \$ 310,000                         |
| Total  |                                       |                           |                                 | <u>\$ 7,095,000</u>                                | <u>\$ 310,000</u>                  |

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

| <u>Year ending June 30:</u> |    | <u>Governmental Activities</u> |                     |
|-----------------------------|----|--------------------------------|---------------------|
|                             |    | <u>Principal</u>               | <u>Interest</u>     |
| 2014                        | \$ | 310,000                        | \$ 285,638          |
| 2015                        |    | 320,000                        | 276,963             |
| 2016                        |    | 330,000                        | 267,213             |
| 2017                        |    | 335,000                        | 257,028             |
| 2018                        |    | 350,000                        | 245,669             |
| 2019-23                     |    | 1,950,000                      | 1,014,531           |
| 2024-28                     |    | 2,385,000                      | 554,597             |
| 2029-30                     |    | 1,115,000                      | 53,556              |
| Total                       |    | <u>\$ 7,095,000</u>            | <u>\$ 2,955,195</u> |

**NOTE 10 – CHANGES IN LONG-TERM LIABILITIES**

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

|   | <u>Beginning<br/>Balance</u> | <u>Additions</u>  | <u>Reductions</u> | <u>Ending<br/>Balance</u> | <u>Due Within<br/>One Year</u> |
|---|------------------------------|-------------------|-------------------|---------------------------|--------------------------------|
| <b>Governmental activities:</b>             |                              |                   |                   |                           |                                |
| Bonds payable                               | \$ 7,400,000                 | \$                | \$ 305,000        | \$7,095,000               | \$ 310,000                     |
| Obligations under capital leases            | 1,112,282                    |                   | 90,683            | 1,021,599                 | 97,548                         |
| Compensated absences payable                | 440,687                      | 393,390           | 273,107           | 560,970                   | 289,285                        |
| Governmental activity long-term liabilities | <u>\$ 8,952,969</u>          | <u>\$ 393,390</u> | <u>\$ 668,790</u> | <u>\$8,677,569</u>        | <u>\$ 696,833</u>              |

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

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

At year end, interfund balances were as follows.

**Due to/from other funds** – At year end, the Title I Grants Fund and several non-major governmental funds had negative cash balances of \$172,663 and \$80,840, respectively in the Treasurer's pooled cash accounts. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with other funds. All interfund balances are expected to be paid within one year.

**Interfund transfers:**

|                              | Transfers in      |                  |                   |
|------------------------------|-------------------|------------------|-------------------|
|                              | General           | Non-Major        |                   |
| Transfers out                | Fund              | Governmental     | Total             |
| General Fund                 | \$                | \$ 88,275        | \$ 88,275         |
| Title I Grants Fund          | 255               |                  | 255               |
| Non-Major Governmental Funds | 182,508           |                  | 182,508           |
| Total                        | <u>\$ 182,763</u> | <u>\$ 88,275</u> | <u>\$ 271,038</u> |

Transfers between funds were used to (1) move funds from the General Fund to the Energy and Water Savings Fund for the repayment of qualified energy savings capital investments, and (2) to move Federal grant funds and other monies restricted for indirect costs.

**NOTE 12 – CONTINGENT LIABILITIES**

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 13 – RISK MANAGEMENT**

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

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

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.

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.

**NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

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

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

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

**Funding Policy** – The Arizona State Legislature establishes and may amend active plan members' and the District's contribution rates. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.14 percent (10.90 percent for retirement and 0.24 percent for long-term disability) of the members' annual covered payroll and the District was required by statute to contribute at the actuarially determined rate of 11.14 percent (10.25 percent for retirement, 0.65 percent for health insurance premium, and 0.24 percent for long-term disability) of the members' annual covered payroll.

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

|                      | Retirement<br>Fund | Health Benefit<br>Supplement<br>Fund | Long-Term<br>Disability<br>Fund |
|----------------------|--------------------|--------------------------------------|---------------------------------|
| Year ending June 30: |                    |                                      |                                 |
| 2013                 | \$1,673,566        | \$ 106,129                           | \$ 39,186                       |
| 2012                 | 1,369,700          | 87,428                               | 33,306                          |
| 2011                 | 1,311,286          | 85,867                               | 36,384                          |

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL**  
**YEAR ENDED JUNE 30, 2013**

|  | Budgeted Amounts       |                        | Non-GAAP<br>Actual | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------------|------------------------|--------------------|---|
|  | Original               | Final                  |                    |   |
| <b>Revenues:</b>   |                        |                        |                    |   |
| Other local  | \$                     | \$                     | \$ 1,126,565       | \$ 1,126,565  |
| Property taxes   |                        |                        | 1,143,453          | 1,143,453   |
| State aid and grants                                     |                        |                        | 12,668,172         | 12,668,172  |
| <b>Total revenues</b>                                    |                        |                        | <u>14,938,190</u>  | <u>14,938,190</u>                                       |
| <b>Expenditures:</b>                                     |                        |                        |                    |   |
| Current -  |                        |                        |                    |   |
| Instruction  | 9,701,509              | 9,462,551              | 9,799,552          | (337,001)   |
| Support services - students and staff                    | 1,345,667              | 1,588,442              | 1,434,540          | 153,902   |
| Support services - administration                        | 3,331,928              | 3,580,076              | 3,223,918          | 356,158   |
| Operation and maintenance of plant services              | 3,533,604              | 3,343,876              | 3,190,596          | 153,280   |
| Student transportation services                          | 590,030                | 586,495                | 539,307            | 47,188  |
| Operation of non-instructional services                  | 52,666                 | 19,600                 | 19,600             |   |
| <b>Total expenditures</b>                                | <u>18,555,404</u>      | <u>18,581,040</u>      | <u>18,207,513</u>  | <u>373,527</u>  |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>(18,555,404)</u>    | <u>(18,581,040)</u>    | <u>(3,269,323)</u> | <u>15,311,717</u>                                       |
| <b>Other financing sources (uses):</b>                   |                        |                        |                    |   |
| Transfer out   |                        |                        | (88,275)           | (88,275)  |
| <b>Total other financing sources (uses):</b>             |                        |                        | <u>(88,275)</u>    | <u>(88,275)</u>   |
| <b>Changes in fund balances</b>                          | <u>(18,555,404)</u>    | <u>(18,581,040)</u>    | <u>(3,357,598)</u> | <u>15,223,442</u>                                       |
| <b>Fund balances, beginning of year</b>                  |                        |                        | 3,449,269          | 3,449,269   |
| Increase (decrease) in reserve for prepaid items         |                        |                        | 441,960            | 441,960   |
| <b>Fund balances (deficits), end of year</b>             | <u>\$ (18,555,404)</u> | <u>\$ (18,581,040)</u> | <u>\$ 533,631</u>  | <u>\$ 19,114,671</u>                                    |

See accompanying notes to this schedule.

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**TITLE I GRANTS**  
**YEAR ENDED JUNE 30, 2013**

|  | Budgeted Amounts      |                       |                  | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|-----------------------|-----------------------|------------------|---|
|  | Original              | Final                 | Actual           |   |
| <b>Revenues:</b>   |                       |                       |                  |   |
| Federal aid, grants and reimbursements                   | \$                    | \$                    | \$ 3,361,840     | \$ 3,361,840  |
| <b>Total revenues</b>                                    |                       |                       | <u>3,361,840</u> | <u>3,361,840</u>  |
| <b>Expenditures:</b>                                     |                       |                       |                  |   |
| Current -  |                       |                       |                  |   |
| Instruction  | 3,911,522             | 3,569,201             | 1,708,861        | 1,860,340   |
| Support services - students and staff                    | 3,180,149             | 2,901,841             | 1,389,342        | 1,512,499   |
| Support services - administration                        | 592,008               | 540,199               | 258,636          | 281,563   |
| Capital outlay   | 10,863                | 9,913                 | 4,746            | 5,167   |
| <b>Total expenditures</b>                                | <u>7,694,542</u>      | <u>7,021,154</u>      | <u>3,361,585</u> | <u>3,659,569</u>  |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>(7,694,542)</u>    | <u>(7,021,154)</u>    | <u>255</u>       | <u>7,021,409</u>  |
| <b>Other financing sources (uses):</b>                   |                       |                       |                  |   |
| Transfer out   |                       |                       | (255)            | (255)   |
| <b>Total other financing sources (uses):</b>             |                       |                       | <u>(255)</u>     | <u>(255)</u>  |
| <b>Changes in fund balances</b>                          | <u>(7,694,542)</u>    | <u>(7,021,154)</u>    |                  | <u>7,021,154</u>  |
| <b>Fund balances, beginning of year</b>                  |                       |                       |                  |   |
| <b>Fund balances (deficits), end of year</b>             | <u>\$ (7,694,542)</u> | <u>\$ (7,021,154)</u> | <u>\$</u>        | <u>\$ 7,021,154</u>                                     |

See accompanying notes to this schedule.



**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**NOTE TO REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2013**

**NOTE 1 – BUDGETARY BASIS OF ACCOUNTING**

The adopted budget of the District is prepared on a basis consistent with accounting principles generally accepted in the United States of America with the following exceptions: 1) a portion of the General Fund activity is budgeted for separately as special revenue and capital projects funds and 2) a portion of fiscal year 2013-14 insurance payments were charged against the fiscal year 2012-13 budget. Consequently, the following adjustments were necessary to present actual expenditures, increase (decrease) for prepaid items, fund balance at July 1, 2012, and fund balance at June 30, 2013 on a budgetary basis in order to provide a meaningful comparison.

|  | <u>Total</u><br><u>Expenditures</u> | <u>Increase/<br/>(Decrease)<br/>for Prepaid<br/>Items</u> | <u>Fund Balance,<br/>June 30, 2013</u> | <u>Fund Balance,<br/>July 1, 2012</u> |
|--|-------------------------------------|---|--|---------------------------------------|
| Statement of Revenues, Expenditures<br>and Changes in Fund Balances –<br>Governmental Funds              | \$ 18,268,900                       | \$ (358,040)  | \$ 3,444,717                           | \$ 5,751,831                          |
| Fiscal year 2012-13 activity budgeted<br>as special revenue funds  | (532,873)                           |   | (1,120,271)                            | (1,095,749)                           |
| Fiscal year 2012-13 activity budgeted<br>as capital projects funds                                       | (328,514)                           |   | (1,790,815)                            | (1,206,813)                           |
| Fiscal year 2013-14 insurance<br>payments charged against fiscal year<br>2012-13 budget                  | <u>800,000</u>                      | <u>800,000</u>  |  |                                       |
| Schedule of Revenues, Expenditures<br>and Changes in Fund Balances –<br>Budget and Actual – General Fund | <u>\$ 18,207,513</u>                | <u>\$ 441,960</u>   | <u>\$ 533,631</u>                      | <u>\$3,449,269</u>                    |

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

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## **GOVERNMENTAL FUNDS**

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**JUNE 30, 2013**

|   | <u>Special Revenue</u>     | <u>Capital Projects</u>  | <u>Total Non-Major<br/>Governmental<br/>Fund</u> |
|---|----------------------------|--------------------------|--|
| <b><u>ASSETS</u></b>                        |                            |                          |  |
| Cash and investments                        | \$ 1,158,552               | \$ 757,197               | \$ 1,915,749                                     |
| Property taxes receivable                   |                            | 79,744                   | 79,744   |
| Due from governmental entities              | 772,092                    | 123,105                  | 895,197  |
| Due from other funds                        | 253,503                    |                          | 253,503  |
| Other assets                                | 59,847                     |                          | 59,847   |
| <b>Total assets</b>                         | <u><u>\$ 2,243,994</u></u> | <u><u>\$ 960,046</u></u> | <u><u>\$ 3,204,040</u></u>                       |
| <b><u>LIABILITIES AND FUND BALANCES</u></b> |                            |                          |  |
| Liabilities:                                |                            |                          |  |
| Accounts payable                            | \$ 87,213                  | \$ 13,411                | \$ 100,624                                       |
| Due to other funds                          | 80,840                     |                          | 80,840   |
| Accrued payroll and employee benefits       | 152,384                    |                          | 152,384  |
| Deferred revenues                           | 55,193                     | 71,431                   | 126,624  |
| <b>Total liabilities</b>                    | <u>375,630</u>             | <u>84,842</u>            | <u>460,472</u>                                   |
| Fund balances (deficits):                   |                            |                          |  |
| Restricted                                  | 1,914,736                  | 875,204                  | 2,789,940  |
| Unassigned                                  | (46,372)                   |                          | (46,372)   |
| <b>Total fund balances</b>                  | <u>1,868,364</u>           | <u>875,204</u>           | <u>2,743,568</u>                                 |
| <b>Total liabilities and fund balances</b>  | <u><u>\$ 2,243,994</u></u> | <u><u>\$ 960,046</u></u> | <u><u>\$ 3,204,040</u></u>                       |

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**YEAR ENDED JUNE 30, 2013**

|  | <u>Special Revenue</u>     | <u>Capital Projects</u>  | <u>Total Non-Major<br/>Governmental<br/>Funds</u> |
|--|----------------------------|--------------------------|---|
| <b>Revenues:</b>   |                            |                          |   |
| Other local  | \$ 1,049,228               | \$ 3,205                 | \$ 1,052,433                                      |
| Property taxes   |                            | 223,068                  | 223,068   |
| State aid and grants                                     | 1,407,979                  | 10,727                   | 1,418,706   |
| Federal aid, grants and reimbursements                   | <u>3,788,124</u>           | <u>59,952</u>            | <u>3,848,076</u>                                  |
| <b>Total revenues</b>                                    | <u>6,245,331</u>           | <u>296,952</u>           | <u>6,542,283</u>                                  |
| <b>Expenditures:</b>                                     |                            |                          |   |
| Current -  |                            |                          |   |
| Instruction  | 2,629,680                  |                          | 2,629,680   |
| Support services - students and staff                    | 1,255,785                  |                          | 1,255,785   |
| Support services - administration                        | 115,910                    |                          | 115,910   |
| Operation and maintenance of plant services              | 573                        |                          | 573   |
| Student transportation services                          | 3,349                      |                          | 3,349   |
| Operation of non-instructional services                  | 1,812,198                  |                          | 1,812,198   |
| Capital outlay   | 458,281                    | 326,541                  | 784,822   |
| Debt service -   |                            |                          |   |
| Principal retirement                                     |                            | 90,683                   | 90,683  |
| Interest and fiscal charges                              |                            | <u>83,274</u>            | <u>83,274</u>                                     |
| <b>Total expenditures</b>                                | <u>6,275,776</u>           | <u>500,498</u>           | <u>6,776,274</u>                                  |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>(30,445)</u>            | <u>(203,546)</u>         | <u>(233,991)</u>                                  |
| <b>Other financing sources (uses):</b>                   |                            |                          |   |
| Transfer in  |                            | 88,275                   | 88,275  |
| Transfer out   | <u>(182,508)</u>           |                          | <u>(182,508)</u>                                  |
| <b>Total other financing sources (uses):</b>             | <u>(182,508)</u>           | <u>88,275</u>            | <u>(94,233)</u>                                   |
| <b>Changes in fund balances</b>                          | <u>(212,953)</u>           | <u>(115,271)</u>         | <u>(328,224)</u>                                  |
| <b>Fund balances, beginning of year</b>                  | 2,081,317                  | 990,475                  | 3,071,792   |
| <b>Fund balances, end of year</b>                        | <u><u>\$ 1,868,364</u></u> | <u><u>\$ 875,204</u></u> | <u><u>\$ 2,743,568</u></u>                        |

## **SPECIAL REVENUE FUNDS**

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

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

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

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

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

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

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

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

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

**National Forest Fees** - to account for monies allocated for the purposes of benefiting public schools and public roads in counties where national forests are situated.

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

**E-Rate** - to account for monies received to reimburse the District 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.

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

**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.

**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.

**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.

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

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



**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2013**

|   | <u>Classroom Site</u>    | <u>Instructional<br/>Improvement</u> | <u>County, City,<br/>and Town<br/>Grants</u> |
|---|--------------------------|--------------------------------------|--|
| <b><u>ASSETS</u></b>                        |                          |                                      |  |
| Cash and investments                        | \$ 383,550               | \$ 27,031                            | \$ 5,470                                     |
| Due from governmental entities              | 93,543                   | 72,407                               |  |
| Due from other funds                        |                          |                                      |  |
| Other assets                                |                          |                                      |  |
| <b>Total assets</b>                         | <u><u>\$ 477,093</u></u> | <u><u>\$ 99,438</u></u>              | <u><u>\$ 5,470</u></u>                       |
| <b><u>LIABILITIES AND FUND BALANCES</u></b> |                          |                                      |  |
| Liabilities:                                |                          |                                      |  |
| Accounts payable                            | \$                       | \$                                   | \$   |
| Due to other funds                          |                          |                                      |  |
| Accrued payroll and employee benefits       |                          |                                      |  |
| Deferred revenues                           |                          |                                      |  |
| <b>Total liabilities</b>                    | <u></u>                  | <u></u>                              | <u></u>                                      |
| Fund balances (deficits):                   |                          |                                      |  |
| Restricted                                  | 477,093                  | 99,438                               | 5,470  |
| Unassigned                                  |                          |                                      |  |
| <b>Total fund balances</b>                  | <u><u>477,093</u></u>    | <u><u>99,438</u></u>                 | <u><u>5,470</u></u>                          |
| <b>Total liabilities and fund balances</b>  | <u><u>\$ 477,093</u></u> | <u><u>\$ 99,438</u></u>              | <u><u>\$ 5,470</u></u>                       |

| Structured<br>English<br>Immersion | Compensatory<br>Instruction | Professional<br>Development<br>and Technology<br>Grants | Special<br>Education<br>Grants | Vocational<br>Education | National Forest<br>Fees |
|------------------------------------|-----------------------------|---|--------------------------------|-------------------------|-------------------------|
| \$ 387                             | \$ 295                      | \$ 71,817   | \$ 89,522                      | \$ 10,839               | \$ 8,807                |
| <u>\$ 387</u>                      | <u>\$ 295</u>               | <u>\$ 71,817</u>  | <u>\$ 89,522</u>               | <u>\$ 10,839</u>        | <u>\$ 8,807</u>         |
| \$                                 | \$                          | \$ 42,207   | \$ 32,674                      | \$ 2,207                | \$                      |
|                                    |                             | 29,610  | 56,848                         |                         |                         |
| <u>387</u>                         | <u>295</u>                  | <u>71,817</u>   | <u>89,522</u>                  | <u>8,632</u>            |                         |
| <u>387</u>                         | <u>295</u>                  |   |                                | <u>10,839</u>           |                         |
|                                    |                             |   |                                |                         | 8,807                   |
|                                    |                             |   |                                |                         | <u>8,807</u>            |
| <u>\$ 387</u>                      | <u>\$ 295</u>               | <u>\$ 71,817</u>  | <u>\$ 89,522</u>               | <u>\$ 10,839</u>        | <u>\$ 8,807</u>         |

(Continued)

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2013**

|   | Taylor Grazing<br>Fees | E-Rate           | Other Federal<br>Projects |
|---|------------------------|------------------|---------------------------|
| <b><u>ASSETS</u></b>                        |                        |                  |                           |
| Cash and investments                        | \$ 37,926              | \$ 36,520        | \$ 35,727                 |
| Due from governmental entities              |                        |                  |                           |
| Due from other funds                        |                        |                  |                           |
| Other assets                                |                        |                  |                           |
| <b>Total assets</b>                         | <u>\$ 37,926</u>       | <u>\$ 36,520</u> | <u>\$ 35,727</u>          |
| <b><u>LIABILITIES AND FUND BALANCES</u></b> |                        |                  |                           |
| Liabilities:                                |                        |                  |                           |
| Accounts payable                            | \$                     | \$ 82,892        | \$                        |
| Due to other funds                          |                        |                  |                           |
| Accrued payroll and employee benefits       |                        |                  | 11,337                    |
| Deferred revenues                           |                        |                  | 23,328                    |
| <b>Total liabilities</b>                    |                        | <u>82,892</u>    | <u>34,665</u>             |
| Fund balances (deficits):                   |                        |                  |                           |
| Restricted                                  | 37,926                 |                  | 1,062                     |
| Unassigned                                  |                        | (46,372)         |                           |
| <b>Total fund balances</b>                  | <u>37,926</u>          | <u>(46,372)</u>  | <u>1,062</u>              |
| <b>Total liabilities and fund balances</b>  | <u>\$ 37,926</u>       | <u>\$ 36,520</u> | <u>\$ 35,727</u>          |

| State Vocational<br>Education | Academic<br>Contests | Other State<br>Projects | Food Service                             | Civic Center     | Community<br>School |
|-------------------------------|----------------------|-------------------------|--|------------------|---------------------|
| \$ 24,515                     | \$ 5,959             | \$ 150                  | \$ 52,878<br>44,452<br>253,503<br>59,847 | \$ 33,159        | \$ 126,168          |
| <u>\$ 24,515</u>              | <u>\$ 5,959</u>      | <u>\$ 150</u>           | <u>\$ 410,680</u>                        | <u>\$ 33,159</u> | <u>\$ 126,168</u>   |
| \$ 2,114                      | \$ 5,959             | \$                      | \$                                       | \$               | \$                  |
| 22,401                        |                      | 150                     | 16,498                                   |                  |                     |
| <u>24,515</u>                 | <u>5,959</u>         | <u>150</u>              | <u>16,498</u>                            |                  |                     |
|                               |                      |                         | 394,182                                  | 33,159           | 126,168             |
|                               |                      |                         | <u>394,182</u>                           | <u>33,159</u>    | <u>126,168</u>      |
| <u>\$ 24,515</u>              | <u>\$ 5,959</u>      | <u>\$ 150</u>           | <u>\$ 410,680</u>                        | <u>\$ 33,159</u> | <u>\$ 126,168</u>   |

(Continued)

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2013**

|   | Extracurricular<br>Activities Fees<br>Tax Credit | Textbooks        | Grants and Gifts<br>to Teachers |
|---|--|------------------|---------------------------------|
| <b><u>ASSETS</u></b>                        |  |                  |                                 |
| Cash and investments                        | \$ 49,719  | \$ 67,654        | \$ 1,996                        |
| Due from governmental entities              |  |                  |                                 |
| Due from other funds                        |  |                  |                                 |
| Other assets                                |  |                  |                                 |
| <b>Total assets</b>                         | <u>\$ 49,719</u>                                 | <u>\$ 67,654</u> | <u>\$ 1,996</u>                 |
| <b><u>LIABILITIES AND FUND BALANCES</u></b> |  |                  |                                 |
| Liabilities:                                |  |                  |                                 |
| Accounts payable                            | \$   | \$               | \$                              |
| Due to other funds                          |  |                  |                                 |
| Accrued payroll and employee benefits       |  |                  |                                 |
| Deferred revenues                           |  |                  |                                 |
| <b>Total liabilities</b>                    |  |                  |                                 |
| Fund balances (deficits):                   |  |                  |                                 |
| Restricted                                  | 49,719   | 67,654           | 1,996                           |
| Unassigned                                  |  |                  |                                 |
| <b>Total fund balances</b>                  | <u>49,719</u>                                    | <u>67,654</u>    | <u>1,996</u>                    |
| <b>Total liabilities and fund balances</b>  | <u>\$ 49,719</u>                                 | <u>\$ 67,654</u> | <u>\$ 1,996</u>                 |

| Joint Technical<br>Education | Totals              |
|------------------------------|---------------------|
| \$ 255,761                   | \$ 1,158,552        |
| 394,392                      | 772,092             |
|                              | 253,503             |
|                              | 59,847              |
| <u>\$ 650,153</u>            | <u>\$ 2,243,994</u> |

|               |                |
|---------------|----------------|
| \$            | \$ 87,213      |
|               | 80,840         |
| 38,091        | 152,384        |
|               | 55,193         |
| <u>38,091</u> | <u>375,630</u> |

|                   |                     |
|-------------------|---------------------|
| 612,062           | 1,914,736           |
|                   | (46,372)            |
| <u>612,062</u>    | <u>1,868,364</u>    |
| <u>\$ 650,153</u> | <u>\$ 2,243,994</u> |

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2013**

|  | Classroom Site    | Instructional<br>Improvement | County, City,<br>and Town<br>Grants |
|--|-------------------|------------------------------|-------------------------------------|
| <b>Revenues:</b>   |                   |                              |                                     |
| Other local  | \$ 2,342          | \$ 512                       | \$ 14                               |
| State aid and grants                                     | 1,137,211         | 167,439                      |                                     |
| Federal aid, grants and reimbursements                   |                   |                              |                                     |
| <b>Total revenues</b>                                    | <u>1,139,553</u>  | <u>167,951</u>               | <u>14</u>                           |
| <b>Expenditures:</b>                                     |                   |                              |                                     |
| Current -  |                   |                              |                                     |
| Instruction  | 1,199,646         | 237,102                      |                                     |
| Support services - students and staff                    | 41,880            | 3,184                        |                                     |
| Support services - administration                        |                   |                              |                                     |
| Operation and maintenance of plant services              |                   |                              |                                     |
| Student transportation services                          |                   |                              |                                     |
| Operation of non-instructional services                  |                   |                              |                                     |
| Capital outlay   |                   |                              |                                     |
| <b>Total expenditures</b>                                | <u>1,241,526</u>  | <u>240,286</u>               | <u></u>                             |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>(101,973)</u>  | <u>(72,335)</u>              | <u>14</u>                           |
| <b>Other financing sources (uses):</b>                   |                   |                              |                                     |
| Transfer out   |                   |                              |                                     |
| <b>Total other financing sources (uses):</b>             | <u></u>           | <u></u>                      | <u></u>                             |
| <b>Changes in fund balances</b>                          | <u>(101,973)</u>  | <u>(72,335)</u>              | <u>14</u>                           |
| <b>Fund balances (deficits), beginning of year</b>       | 579,066           | 171,773                      | 5,456                               |
| <b>Fund balances, end of year</b>                        | <u>\$ 477,093</u> | <u>\$ 99,438</u>             | <u>\$ 5,470</u>                     |

| Structured<br>English<br>Immersion | Compensatory<br>Instruction | Professional<br>Development<br>and Technology<br>Grants | Special<br>Education<br>Grants | Vocational<br>Education | National Forest<br>Fees |
|------------------------------------|-----------------------------|---|--------------------------------|-------------------------|-------------------------|
| \$                                 | \$                          | \$  | \$                             | \$                      | \$                      |
| 32,295                             | 5,783                       |   |                                |                         |                         |
|                                    |                             | 445,402   | 909,079                        | 61,148                  | 8,808                   |
| <u>32,295</u>                      | <u>5,783</u>                | <u>445,402</u>  | <u>909,079</u>                 | <u>61,148</u>           | <u>8,808</u>            |
| 32,295                             | 5,783                       | 33,466  | 440,619                        | 18,607                  | 1                       |
|                                    |                             | 380,651   | 462,668                        | 12,067                  |                         |
|                                    |                             | 14,816  |                                |                         |                         |
|                                    |                             | 14,684  | 3,197                          | 30,474                  |                         |
| <u>32,295</u>                      | <u>5,783</u>                | <u>443,617</u>  | <u>906,484</u>                 | <u>61,148</u>           | <u>1</u>                |
|                                    |                             | 1,785   | 2,595                          |                         | 8,807                   |
|                                    |                             | (1,785)   | (2,595)                        |                         |                         |
|                                    |                             | <u>(1,785)</u>  | <u>(2,595)</u>                 |                         |                         |
|                                    |                             |   |                                |                         | 8,807                   |
| <u>\$</u>                          | <u>\$</u>                   | <u>\$</u>   | <u>\$</u>                      | <u>\$</u>               | <u>\$ 8,807</u>         |

(Continued)



**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2013**

|  | Taylor Grazing<br>Fees | E-Rate             | Other Federal<br>Projects |
|--|------------------------|--------------------|---------------------------|
| <b>Revenues:</b>   |                        |                    |                           |
| Other local  | \$                     | \$ 565             | \$                        |
| State aid and grants                                     |                        |                    |                           |
| Federal aid, grants and reimbursements                   | 1,478                  | 571,538            | 110,822                   |
| <b>Total revenues</b>                                    | <u>1,478</u>           | <u>572,103</u>     | <u>110,822</u>            |
| <b>Expenditures:</b>                                     |                        |                    |                           |
| Current -  |                        |                    |                           |
| Instruction  | 570                    |                    | 45,977                    |
| Support services - students and staff                    | 5,735                  | 188,206            | 63,538                    |
| Support services - administration                        | 1,442                  |                    | 927                       |
| Operation and maintenance of plant services              | 115                    |                    |                           |
| Student transportation services                          |                        |                    |                           |
| Operation of non-instructional services                  |                        |                    |                           |
| Capital outlay   |                        | 352,778            |                           |
| <b>Total expenditures</b>                                | <u>7,862</u>           | <u>540,984</u>     | <u>110,442</u>            |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>(6,384)</u>         | <u>31,119</u>      | <u>380</u>                |
| <b>Other financing sources (uses):</b>                   |                        |                    |                           |
| Transfer out   |                        |                    | (377)                     |
| <b>Total other financing sources (uses):</b>             |                        |                    | <u>(377)</u>              |
| <b>Changes in fund balances</b>                          | <u>(6,384)</u>         | <u>31,119</u>      | <u>3</u>                  |
| <b>Fund balances (deficits), beginning of year</b>       | 44,310                 | (77,491)           | 1,059                     |
| <b>Fund balances (deficits), end of year</b>             | <u>\$ 37,926</u>       | <u>\$ (46,372)</u> | <u>\$ 1,062</u>           |

| State Vocational<br>Education | Academic<br>Contests | Food Service | Civic Center | Community<br>School | Extracurricular<br>Activities Fees<br>Tax Credit |
|-------------------------------|----------------------|--------------|--------------|---------------------|--|
| \$                            | \$                   | \$           | \$           | \$                  | \$   |
| 59,289                        | 5,962                | 166,005      | 11,805       | 29,085              | 21,708   |
|                               |                      | 1,679,849    |              |                     |  |
| 59,289                        | 5,962                | 1,845,854    | 11,805       | 29,085              | 21,708   |
|                               |                      |              |              |                     |  |
| 31,612                        | 5,962                |              |              | 52,231              | 12,517   |
| 4,785                         |                      |              |              | 12,400              | 640  |
| 455                           |                      |              | 673          | 85                  | 368  |
|                               |                      |              |              | 399                 | 2,950  |
|                               |                      | 1,812,198    |              |                     |  |
| 22,437                        |                      | 21,201       |              | 390                 | 6,732  |
| 59,289                        | 5,962                | 1,833,399    | 673          | 65,505              | 23,207   |
|                               |                      |              |              |                     |  |
|                               |                      | 12,455       | 11,132       | (36,420)            | (1,499)  |
|                               |                      |              |              |                     |  |
|                               |                      | (141,882)    |              |                     |  |
|                               |                      | (141,882)    |              |                     |  |
|                               |                      |              |              |                     |  |
|                               |                      | (129,427)    | 11,132       | (36,420)            | (1,499)  |
|                               |                      |              |              |                     |  |
|                               |                      | 523,609      | 22,027       | 162,588             | 51,218   |
|                               |                      |              |              |                     |  |
| \$                            | \$                   | \$           | \$           | \$                  | \$   |
|                               |                      | 394,182      | 33,159       | 126,168             | 49,719   |

(Continued)

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2013**

|  | Textbooks        | Grants and Gifts<br>to Teachers | Joint Technical<br>Education |
|--|------------------|---------------------------------|------------------------------|
| <b>Revenues:</b>   |                  |                                 |                              |
| Other local  | \$ 1,175         | \$ 5                            | \$ 816,012                   |
| State aid and grants                                     |                  |                                 |                              |
| Federal aid, grants and reimbursements                   |                  |                                 |                              |
| <b>Total revenues</b>                                    | <u>1,175</u>     | <u>5</u>                        | <u>816,012</u>               |
| <b>Expenditures:</b>                                     |                  |                                 |                              |
| Current -  |                  |                                 |                              |
| Instruction  |                  |                                 | 513,292                      |
| Support services - students and staff                    |                  |                                 | 80,031                       |
| Support services - administration                        |                  |                                 | 97,512                       |
| Operation and maintenance of plant services              |                  |                                 | 90                           |
| Student transportation services                          |                  |                                 |                              |
| Operation of non-instructional services                  |                  |                                 |                              |
| Capital outlay   |                  |                                 | 6,388                        |
| <b>Total expenditures</b>                                |                  |                                 | <u>697,313</u>               |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>1,175</u>     | <u>5</u>                        | <u>118,699</u>               |
| <b>Other financing sources (uses):</b>                   |                  |                                 |                              |
| Transfer out   |                  |                                 | (35,869)                     |
| <b>Total other financing sources (uses):</b>             |                  |                                 | <u>(35,869)</u>              |
| <b>Changes in fund balances</b>                          | <u>1,175</u>     | <u>5</u>                        | <u>82,830</u>                |
| <b>Fund balances (deficits), beginning of year</b>       | 66,479           | 1,991                           | 529,232                      |
| <b>Fund balances, end of year</b>                        | <u>\$ 67,654</u> | <u>\$ 1,996</u>                 | <u>\$ 612,062</u>            |

| Totals |                  |
|--------|------------------|
| \$     | 1,049,228        |
|        | 1,407,979        |
|        | 3,788,124        |
|        | <u>6,245,331</u> |

|                  |
|------------------|
| 2,629,680        |
| 1,255,785        |
| 115,910          |
| 573              |
| 3,349            |
| 1,812,198        |
| 458,281          |
| <u>6,275,776</u> |

|                 |
|-----------------|
| <u>(30,445)</u> |
|-----------------|

|                  |
|------------------|
| <u>(182,508)</u> |
| <u>(182,508)</u> |

|                  |
|------------------|
| <u>(212,953)</u> |
|------------------|

|                     |
|---------------------|
| 2,081,317           |
| <u>\$ 1,868,364</u> |

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2013**

|  | Classroom Site        |                   |                                      |
|--|-----------------------|-------------------|--------------------------------------|
|  | Budget                | Actual            | Variance -<br>Positive<br>(Negative) |
| <b>Revenues:</b>   |                       |                   |                                      |
| Other local  | \$                    | \$ 2,342          | \$ 2,342                             |
| State aid and grants                                     |                       | 1,137,211         | 1,137,211                            |
| Federal aid, grants and reimbursements                   |                       |                   |                                      |
| <b>Total revenues</b>                                    |                       | <u>1,139,553</u>  | <u>1,139,553</u>                     |
| <b>Expenditures:</b>                                     |                       |                   |                                      |
| Current -  |                       |                   |                                      |
| Instruction  | 1,820,603             | 1,199,646         | 620,957                              |
| Support services - students and staff                    | 41,119                | 41,880            | (761)                                |
| Support services - administration                        |                       |                   |                                      |
| Operation and maintenance of plant services              |                       |                   |                                      |
| Student transportation services                          |                       |                   |                                      |
| Operation of non-instructional services                  |                       |                   |                                      |
| Capital outlay   |                       |                   |                                      |
| <b>Total expenditures</b>                                | <u>1,861,722</u>      | <u>1,241,526</u>  | <u>620,196</u>                       |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>(1,861,722)</u>    | <u>(101,973)</u>  | <u>1,759,749</u>                     |
| <b>Other financing sources (uses):</b>                   |                       |                   |                                      |
| Transfer in  |                       |                   |                                      |
| Transfer out   |                       |                   |                                      |
| <b>Total other financing sources (uses):</b>             |                       |                   |                                      |
| <b>Changes in fund balances</b>                          | <u>(1,861,722)</u>    | <u>(101,973)</u>  | <u>1,759,749</u>                     |
| <b>Fund balances (deficits), beginning of year</b>       |                       | 579,066           | 579,066                              |
| <b>Fund balances (deficits), end of year</b>             | <u>\$ (1,861,722)</u> | <u>\$ 477,093</u> | <u>\$ 2,338,815</u>                  |

| Instructional Improvement |                   |                                      | County, City, and Town Grants |          |                                      |
|---------------------------|-------------------|--------------------------------------|-------------------------------|----------|--------------------------------------|
| Budget                    | Actual            | Variance -<br>Positive<br>(Negative) | Budget                        | Actual   | Variance -<br>Positive<br>(Negative) |
| \$                        | \$ 512<br>167,439 | \$ 512<br>167,439                    | \$                            | \$ 14    | \$ 14                                |
|                           | 167,951           | 167,951                              |                               | 14       | 14                                   |
| 166,437                   | 237,102<br>3,184  | (70,665)<br>(3,184)                  |                               |          |                                      |
| 166,437                   | 240,286           | (73,849)                             |                               |          |                                      |
| (166,437)                 | (72,335)          | 94,102                               |                               | 14       | 14                                   |
|                           |                   |                                      |                               |          |                                      |
| (166,437)                 | (72,335)          | 94,102                               |                               | 14       | 14                                   |
|                           | 171,773           | 171,773                              |                               | 5,456    | 5,456                                |
| \$ (166,437)              | \$ 99,438         | \$ 265,875                           | \$                            | \$ 5,470 | \$ 5,470                             |

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2013**

|  | Structured English Immersion |               |                                      |
|--|------------------------------|---------------|--------------------------------------|
|  | Budget                       | Actual        | Variance -<br>Positive<br>(Negative) |
| <b>Revenues:</b>   |                              |               |                                      |
| Other local  | \$                           | \$            | \$                                   |
| State aid and grants                                     |                              | 32,295        | 32,295                               |
| Federal aid, grants and reimbursements                   |                              |               |                                      |
| <b>Total revenues</b>                                    |                              | <u>32,295</u> | <u>32,295</u>                        |
| <b>Expenditures:</b>                                     |                              |               |                                      |
| Current -  |                              |               |                                      |
| Instruction  | 32,667                       | 32,295        | 372                                  |
| Support services - students and staff                    |                              |               |                                      |
| Support services - administration                        |                              |               |                                      |
| Operation and maintenance of plant services              |                              |               |                                      |
| Student transportation services                          |                              |               |                                      |
| Operation of non-instructional services                  |                              |               |                                      |
| Capital outlay   |                              |               |                                      |
| <b>Total expenditures</b>                                | <u>32,667</u>                | <u>32,295</u> | <u>372</u>                           |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>(32,667)</u>              |               | <u>32,667</u>                        |
| <b>Other financing sources (uses):</b>                   |                              |               |                                      |
| Transfer in  |                              |               |                                      |
| Transfer out   |                              |               |                                      |
| <b>Total other financing sources (uses):</b>             |                              |               |                                      |
| <b>Changes in fund balances</b>                          | <u>(32,667)</u>              |               | <u>32,667</u>                        |
| <b>Fund balances (deficits), beginning of year</b>       |                              |               |                                      |
| <b>Fund balances (deficits), end of year</b>             | <u>\$ (32,667)</u>           | <u>\$</u>     | <u>\$ 32,667</u>                     |

| Compensatory Instruction |        |                                      | Professional Development and Technology Grants |         |                                      |
|--------------------------|--------|--------------------------------------|--|---------|--------------------------------------|
| Budget                   | Actual | Variance -<br>Positive<br>(Negative) | Budget   | Actual  | Variance -<br>Positive<br>(Negative) |
| \$                       | \$     | \$                                   | \$   | \$      | \$                                   |
|                          | 5,783  | 5,783                                |  |         |                                      |
|                          | 5,783  | 5,783                                |  | 445,402 | 445,402                              |
|                          | 5,783  | 5,783                                |  | 445,402 | 445,402                              |
| 6,068                    | 5,783  | 285                                  | 61,780   | 33,466  | 28,314                               |
|                          |        |                                      | 702,699  | 380,651 | 322,048                              |
|                          |        |                                      | 27,351   | 14,816  | 12,535                               |
|                          |        |                                      | 27,107   | 14,684  | 12,423                               |
| 6,068                    | 5,783  | 285                                  | 818,937  | 443,617 | 375,320                              |
| (6,068)                  |        | 6,068                                | (818,937)                                      | 1,785   | 820,722                              |
|                          |        |                                      |  | (1,785) | (1,785)                              |
|                          |        |                                      |  | (1,785) | (1,785)                              |
| (6,068)                  |        | 6,068                                | (818,937)                                      |         | 818,937                              |
| \$ (6,068)               | \$     | \$ 6,068                             | \$ (818,937)                                   | \$      | \$ 818,937                           |

(Continued)



**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2013**

|  | Special Education Grants |                |                                      |
|--|--------------------------|----------------|--------------------------------------|
|  | Budget                   | Actual         | Variance -<br>Positive<br>(Negative) |
| <b>Revenues:</b>   |                          |                |                                      |
| Other local  | \$                       | \$             | \$                                   |
| State aid and grants                                     |                          |                |                                      |
| Federal aid, grants and reimbursements                   |                          | 909,079        | 909,079                              |
| <b>Total revenues</b>                                    |                          | <u>909,079</u> | <u>909,079</u>                       |
| <b>Expenditures:</b>                                     |                          |                |                                      |
| Current -  |                          |                |                                      |
| Instruction  | 514,409                  | 440,619        | 73,790                               |
| Support services - students and staff                    | 540,150                  | 462,668        | 77,482                               |
| Support services - administration                        |                          |                |                                      |
| Operation and maintenance of plant services              |                          |                |                                      |
| Student transportation services                          |                          |                |                                      |
| Operation of non-instructional services                  |                          |                |                                      |
| Capital outlay   | 3,732                    | 3,197          | 535                                  |
| <b>Total expenditures</b>                                | <u>1,058,291</u>         | <u>906,484</u> | <u>151,807</u>                       |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>(1,058,291)</u>       | <u>2,595</u>   | <u>1,060,886</u>                     |
| <b>Other financing sources (uses):</b>                   |                          |                |                                      |
| Transfer in  |                          |                |                                      |
| Transfer out   |                          | (2,595)        | (2,595)                              |
| <b>Total other financing sources (uses):</b>             |                          | <u>(2,595)</u> | <u>(2,595)</u>                       |
| <b>Changes in fund balances</b>                          | <u>(1,058,291)</u>       |                | <u>1,058,291</u>                     |
| <b>Fund balances (deficits), beginning of year</b>       |                          |                |                                      |
| <b>Fund balances (deficits), end of year</b>             | <u>\$ (1,058,291)</u>    | <u>\$</u>      | <u>\$ 1,058,291</u>                  |

| Vocational Education |        |                                      | Medicaid Reimbursement |                    |                                      |
|----------------------|--------|--------------------------------------|------------------------|--------------------|--------------------------------------|
| Budget               | Actual | Variance -<br>Positive<br>(Negative) | Budget                 | Non-GAAP<br>Actual | Variance -<br>Positive<br>(Negative) |
| \$                   | \$     | \$                                   | \$                     | \$ 546             | \$ 546                               |
|                      | 61,148 | 61,148                               |                        | 54,104             | 54,104                               |
|                      | 61,148 | 61,148                               |                        | 54,650             | 54,650                               |
| 72,030               | 18,607 | 53,423                               | 51                     | 6                  | 45                                   |
| 46,713               | 12,067 | 34,646                               | 170,590                | 20,261             | 150,329                              |
|                      |        |                                      | 148,539                | 17,642             | 130,897                              |
|                      |        |                                      | 53,044                 | 6,300              | 46,744                               |
| 117,969              | 30,474 | 87,495                               |                        |                    |                                      |
| 236,712              | 61,148 | 175,564                              | 372,224                | 44,209             | 328,015                              |
| (236,712)            |        | 236,712                              | (372,224)              | 10,441             | 382,665                              |
|                      |        |                                      |                        |                    |                                      |
|                      |        |                                      |                        |                    |                                      |
| (236,712)            |        | 236,712                              | (372,224)              | 10,441             | 382,665                              |
|                      |        |                                      |                        | 271,981            | 271,981                              |
| \$ (236,712)         | \$     | \$ 236,712                           | \$ (372,224)           | \$ 282,422         | \$ 654,646                           |

(Continued)

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2013**

|  | National Forest Fees |                 | Variance -<br>Positive<br>(Negative) |
|--|----------------------|-----------------|--------------------------------------|
|  | Budget               | Actual          |                                      |
| <b>Revenues:</b>   |                      |                 |                                      |
| Other local  | \$                   | \$              | \$                                   |
| State aid and grants                                     |                      |                 |                                      |
| Federal aid, grants and reimbursements                   |                      | 8,808           | 8,808                                |
| <b>Total revenues</b>                                    |                      | <u>8,808</u>    | <u>8,808</u>                         |
| <b>Expenditures:</b>                                     |                      |                 |                                      |
| Current -  |                      |                 |                                      |
| Instruction  | 1                    | 1               |                                      |
| Support services - students and staff                    |                      |                 |                                      |
| Support services - administration                        |                      |                 |                                      |
| Operation and maintenance of plant services              |                      |                 |                                      |
| Student transportation services                          |                      |                 |                                      |
| Operation of non-instructional services                  |                      |                 |                                      |
| Capital outlay   |                      |                 |                                      |
| <b>Total expenditures</b>                                | <u>1</u>             | <u>1</u>        |                                      |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>(1)</u>           | <u>8,807</u>    | <u>8,808</u>                         |
| <b>Other financing sources (uses):</b>                   |                      |                 |                                      |
| Transfer in  |                      |                 |                                      |
| Transfer out   |                      |                 |                                      |
| <b>Total other financing sources (uses):</b>             |                      |                 |                                      |
| <b>Changes in fund balances</b>                          | <u>(1)</u>           | <u>8,807</u>    | <u>8,808</u>                         |
| <b>Fund balances (deficits), beginning of year</b>       |                      |                 |                                      |
| <b>Fund balances (deficits), end of year</b>             | <u>\$ (1)</u>        | <u>\$ 8,807</u> | <u>\$ 8,808</u>                      |

| Taylor Grazing Fees |           |                                      | E-Rate       |             |                                      |
|---------------------|-----------|--------------------------------------|--------------|-------------|--------------------------------------|
| Budget              | Actual    | Variance -<br>Positive<br>(Negative) | Budget       | Actual      | Variance -<br>Positive<br>(Negative) |
| \$                  | \$        | \$                                   | \$           | \$ 565      | \$ 565                               |
|                     | 1,478     | 1,478                                |              | 571,538     | 571,538                              |
|                     | 1,478     | 1,478                                |              | 572,103     | 572,103                              |
| 570                 | 570       |                                      |              |             |                                      |
| 5,735               | 5,735     |                                      | 226,132      | 188,206     | 37,926                               |
| 1,442               | 1,442     |                                      |              |             |                                      |
| 115                 | 115       |                                      |              |             |                                      |
|                     |           |                                      | 423,868      | 352,778     | 71,090                               |
| 7,862               | 7,862     |                                      | 650,000      | 540,984     | 109,016                              |
| (7,862)             | (6,384)   | 1,478                                | (650,000)    | 31,119      | 681,119                              |
|                     |           |                                      |              |             |                                      |
|                     |           |                                      |              |             |                                      |
| (7,862)             | (6,384)   | 1,478                                | (650,000)    | 31,119      | 681,119                              |
|                     | 44,310    | 44,310                               |              | (77,491)    | (77,491)                             |
| \$ (7,862)          | \$ 37,926 | \$ 45,788                            | \$ (650,000) | \$ (46,372) | \$ 603,628                           |

(Continued)

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2013**

|  | Other Federal Projects |                 |                                      |
|--|------------------------|-----------------|--------------------------------------|
|  | Budget                 | Actual          | Variance -<br>Positive<br>(Negative) |
| <b>Revenues:</b>   |                        |                 |                                      |
| Other local  | \$                     | \$              | \$                                   |
| State aid and grants                                     |                        |                 |                                      |
| Federal aid, grants and reimbursements                   |                        | 110,822         | 110,822                              |
| <b>Total revenues</b>                                    |                        | <u>110,822</u>  | <u>110,822</u>                       |
| <b>Expenditures:</b>                                     |                        |                 |                                      |
| Current -  |                        |                 |                                      |
| Instruction  | 377,632                | 45,977          | 331,655                              |
| Support services - students and staff                    | 521,869                | 63,538          | 458,331                              |
| Support services - administration                        | 7,614                  | 927             | 6,687                                |
| Operation and maintenance of plant services              |                        |                 |                                      |
| Student transportation services                          |                        |                 |                                      |
| Operation of non-instructional services                  |                        |                 |                                      |
| Capital outlay   |                        |                 |                                      |
| <b>Total expenditures</b>                                | <u>907,115</u>         | <u>110,442</u>  | <u>796,673</u>                       |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>(907,115)</u>       | <u>380</u>      | <u>907,495</u>                       |
| <b>Other financing sources (uses):</b>                   |                        |                 |                                      |
| Transfer in  |                        |                 |                                      |
| Transfer out   |                        | (377)           | (377)                                |
| <b>Total other financing sources (uses):</b>             |                        | <u>(377)</u>    | <u>(377)</u>                         |
| <b>Changes in fund balances</b>                          | <u>(907,115)</u>       | <u>3</u>        | <u>907,118</u>                       |
| <b>Fund balances (deficits), beginning of year</b>       |                        | 1,059           | 1,059                                |
| <b>Fund balances (deficits), end of year</b>             | <u>\$ (907,115)</u>    | <u>\$ 1,062</u> | <u>\$ 908,177</u>                    |

| State Vocational Education |        |                                      | Academic Contests |        |                                      |
|----------------------------|--------|--------------------------------------|-------------------|--------|--------------------------------------|
| Budget                     | Actual | Variance -<br>Positive<br>(Negative) | Budget            | Actual | Variance -<br>Positive<br>(Negative) |
| \$                         | \$     | \$                                   | \$                | \$     | \$                                   |
|                            | 59,289 | 59,289                               |                   | 5,962  | 5,962                                |
|                            | 59,289 | 59,289                               |                   | 5,962  | 5,962                                |
|                            | 31,612 | (31,612)                             | 7,500             | 5,962  | 1,538                                |
|                            | 4,785  | (4,785)                              |                   |        |                                      |
|                            | 455    | (455)                                |                   |        |                                      |
|                            | 22,437 | (22,437)                             |                   |        |                                      |
|                            | 59,289 | (59,289)                             | 7,500             | 5,962  | 1,538                                |
|                            |        |                                      | (7,500)           |        | 7,500                                |
|                            |        |                                      |                   |        |                                      |
|                            |        |                                      |                   |        |                                      |
|                            |        |                                      | (7,500)           |        | 7,500                                |
|                            |        |                                      |                   |        |                                      |
| \$                         | \$     | \$                                   | \$ (7,500)        | \$     | \$ 7,500                             |

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2013**

|  | School Plant        |                   |                                |
|--|---------------------|-------------------|--------------------------------|
|  | Budget              | Non-GAAP Actual   | Variance - Positive (Negative) |
| <b>Revenues:</b>   |                     |                   |                                |
| Other local  | \$                  | \$ 27,545         | \$ 27,545                      |
| State aid and grants                                     |                     |                   |                                |
| Federal aid, grants and reimbursements                   |                     |                   |                                |
| <b>Total revenues</b>                                    |                     | <u>27,545</u>     | <u>27,545</u>                  |
| <b>Expenditures:</b>                                     |                     |                   |                                |
| Current -  |                     |                   |                                |
| Instruction  |                     |                   |                                |
| Support services - students and staff                    |                     |                   |                                |
| Support services - administration                        |                     |                   |                                |
| Operation and maintenance of plant services              |                     |                   |                                |
| Student transportation services                          |                     |                   |                                |
| Operation of non-instructional services                  | 166,166             |                   | 166,166                        |
| Capital outlay   |                     |                   |                                |
| <b>Total expenditures</b>                                | <u>166,166</u>      |                   | <u>166,166</u>                 |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>(166,166)</u>    | <u>27,545</u>     | <u>193,711</u>                 |
| <b>Other financing sources (uses):</b>                   |                     |                   |                                |
| Transfer in  |                     |                   |                                |
| Transfer out   |                     |                   |                                |
| <b>Total other financing sources (uses):</b>             |                     |                   |                                |
| <b>Changes in fund balances</b>                          | <u>(166,166)</u>    | <u>27,545</u>     | <u>193,711</u>                 |
| <b>Fund balances (deficits), beginning of year</b>       |                     | 167,314           | 167,314                        |
| <b>Fund balances (deficits), end of year</b>             | <u>\$ (166,166)</u> | <u>\$ 194,859</u> | <u>\$ 361,025</u>              |

| Food Service   |            |                                | Civic Center |           |                                |
|----------------|------------|--------------------------------|--------------|-----------|--------------------------------|
| Budget         | Actual     | Variance - Positive (Negative) | Budget       | Actual    | Variance - Positive (Negative) |
| \$             | \$ 166,005 | \$ 166,005                     | \$           | \$ 11,805 | \$ 11,805                      |
|                | 1,679,849  | 1,679,849                      |              |           |                                |
|                | 1,845,854  | 1,845,854                      |              | 11,805    | 11,805                         |
|                |            |                                |              |           |                                |
|                |            |                                | 68,153       | 673       | 67,480                         |
| 2,658,091      | 1,812,198  | 845,893                        |              |           |                                |
| 31,097         | 21,201     | 9,896                          |              |           |                                |
| 2,689,188      | 1,833,399  | 855,789                        | 68,153       | 673       | 67,480                         |
| (2,689,188)    | 12,455     | 2,701,643                      | (68,153)     | 11,132    | 79,285                         |
|                |            |                                |              |           |                                |
|                | (141,882)  | (141,882)                      |              |           |                                |
|                | (141,882)  | (141,882)                      |              |           |                                |
|                |            |                                |              |           |                                |
| (2,689,188)    | (129,427)  | 2,559,761                      | (68,153)     | 11,132    | 79,285                         |
|                | 523,609    | 523,609                        |              | 22,027    | 22,027                         |
| \$ (2,689,188) | \$ 394,182 | \$ 3,083,370                   | \$ (68,153)  | \$ 33,159 | \$ 101,312                     |



**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2013**

|  | Community School    |                   |   |
|--|---------------------|-------------------|---|
|  | <u>Budget</u>       | <u>Actual</u>     | <u>Variance -<br/>Positive<br/>(Negative)</u> |
| <b>Revenues:</b>   |                     |                   |   |
| Other local  | \$                  | \$ 29,085         | \$ 29,085                                     |
| State aid and grants                                     |                     |                   |   |
| Federal aid, grants and reimbursements                   |                     |                   |   |
| <b>Total revenues</b>                                    |                     | <u>29,085</u>     | <u>29,085</u>                                 |
| <b>Expenditures:</b>                                     |                     |                   |   |
| Current -  |                     |                   |   |
| Instruction  | 169,177             | 52,231            | 116,946                                       |
| Support services - students and staff                    | 40,163              | 12,400            | 27,763  |
| Support services - administration                        | 275                 | 85                | 190   |
| Operation and maintenance of plant services              |                     |                   |   |
| Student transportation services                          | 1,292               | 399               | 893   |
| Operation of non-instructional services                  |                     |                   |   |
| Capital outlay   | <u>1,263</u>        | <u>390</u>        | <u>873</u>                                    |
| <b>Total expenditures</b>                                | <u>212,170</u>      | <u>65,505</u>     | <u>146,665</u>                                |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>(212,170)</u>    | <u>(36,420)</u>   | <u>175,750</u>                                |
| <b>Other financing sources (uses):</b>                   |                     |                   |   |
| Transfer in  |                     |                   |   |
| Transfer out   |                     |                   |   |
| <b>Total other financing sources (uses):</b>             |                     |                   |   |
| <b>Changes in fund balances</b>                          | <u>(212,170)</u>    | <u>(36,420)</u>   | <u>175,750</u>                                |
| <b>Fund balances (deficits), beginning of year</b>       |                     | 162,588           | 162,588                                       |
| <b>Fund balances (deficits), end of year</b>             | <u>\$ (212,170)</u> | <u>\$ 126,168</u> | <u>\$ 338,338</u>                             |

| Auxiliary Operations |                    |                                      | Extracurricular Activities Fees Tax Credit |           |                                      |
|----------------------|--------------------|--------------------------------------|--|-----------|--------------------------------------|
| Budget               | Non-GAAP<br>Actual | Variance -<br>Positive<br>(Negative) | Budget                                     | Actual    | Variance -<br>Positive<br>(Negative) |
| \$                   | \$ 244,542         | \$ 244,542                           | \$   | \$ 21,708 | \$ 21,708                            |
|                      | 244,542            | 244,542                              |  | 21,708    | 21,708                               |
| 413,365              | 227,527            | 185,838                              | 134,842                                    | 12,517    | 122,325                              |
| 2,100                | 1,156              | 944                                  | 6,894                                      | 640       | 6,254                                |
| 4,824                | 2,655              | 2,169                                |  |           |                                      |
| 892                  | 491                | 401                                  | 3,964                                      | 368       | 3,596                                |
| 2,258                | 1,243              | 1,015                                | 31,779                                     | 2,950     | 28,829                               |
| 26,561               | 14,620             | 11,941                               | 72,521                                     | 6,732     | 65,789                               |
| 450,000              | 247,692            | 202,308                              | 250,000                                    | 23,207    | 226,793                              |
| (450,000)            | (3,150)            | 446,850                              | (250,000)                                  | (1,499)   | 248,501                              |
|                      |                    |                                      |  |           |                                      |
| (450,000)            | (3,150)            | 446,850                              | (250,000)                                  | (1,499)   | 248,501                              |
|                      | 140,194            | 140,194                              |  | 51,218    | 51,218                               |
| \$ (450,000)         | \$ 137,044         | \$ 587,044                           | \$ (250,000)                               | \$ 49,719 | \$ 299,719                           |

(Continued)

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2013**

|  | Gifts and Donations |                    |                                      |
|--|---------------------|--------------------|--------------------------------------|
|  | Budget              | Non-GAAP<br>Actual | Variance -<br>Positive<br>(Negative) |
| <b>Revenues:</b>   |                     |                    |                                      |
| Other local  | \$                  | \$ 38,467          | \$ 38,467                            |
| State aid and grants                                     |                     |                    |                                      |
| Federal aid, grants and reimbursements                   |                     |                    |                                      |
| <b>Total revenues</b>                                    |                     | <u>38,467</u>      | <u>38,467</u>                        |
| <b>Expenditures:</b>                                     |                     |                    |                                      |
| Current -  |                     |                    |                                      |
| Instruction  | 37,901              | 19,602             | 18,299                               |
| Support services - students and staff                    | 9,316               | 4,818              | 4,498                                |
| Support services - administration                        | 4,252               | 2,199              | 2,053                                |
| Operation and maintenance of plant services              | 4,613               | 2,386              | 2,227                                |
| Student transportation services                          | 3,401               | 1,759              | 1,642                                |
| Operation of non-instructional services                  |                     |                    |                                      |
| Capital outlay   | 44,587              | 23,060             | 21,527                               |
| <b>Total expenditures</b>                                | <u>104,070</u>      | <u>53,824</u>      | <u>50,246</u>                        |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>(104,070)</u>    | <u>(15,357)</u>    | <u>88,713</u>                        |
| <b>Other financing sources (uses):</b>                   |                     |                    |                                      |
| Transfer in  |                     |                    |                                      |
| Transfer out   |                     |                    |                                      |
| <b>Total other financing sources (uses):</b>             |                     |                    |                                      |
| <b>Changes in fund balances</b>                          | <u>(104,070)</u>    | <u>(15,357)</u>    | <u>88,713</u>                        |
| <b>Fund balances (deficits), beginning of year</b>       |                     | 125,026            | 125,026                              |
| <b>Fund balances (deficits), end of year</b>             | <u>\$ (104,070)</u> | <u>\$ 109,669</u>  | <u>\$ 213,739</u>                    |

| Insurance Proceeds |                    |                                      | Textbooks   |           |                                      |
|--------------------|--------------------|--------------------------------------|-------------|-----------|--------------------------------------|
| Budget             | Non-GAAP<br>Actual | Variance -<br>Positive<br>(Negative) | Budget      | Actual    | Variance -<br>Positive<br>(Negative) |
| \$                 | \$ 166             | \$ 166                               | \$          | \$ 1,175  | \$ 1,175                             |
|                    | 166                | 166                                  |             | 1,175     | 1,175                                |
| 69,390             |                    | 69,390                               | 60,929      |           | 60,929                               |
| 69,390             |                    | 69,390                               | 60,929      |           | 60,929                               |
| (69,390)           | 166                | 69,556                               | (60,929)    | 1,175     | 62,104                               |
| (69,390)           | 166                | 69,556                               | (60,929)    | 1,175     | 62,104                               |
|                    | 68,665             | 68,665                               |             | 66,479    | 66,479                               |
| \$ (69,390)        | \$ 68,831          | \$ 138,221                           | \$ (60,929) | \$ 67,654 | \$ 128,583                           |

(Continued)

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2013**

|  | Litigation Recovery |                 |                                |
|--|---------------------|-----------------|--------------------------------|
|  | Budget              | Non-GAAP Actual | Variance - Positive (Negative) |
| <b>Revenues:</b>   |                     |                 |                                |
| Other local  | \$                  | \$ 9,229        | \$ 9,229                       |
| State aid and grants                                     |                     |                 |                                |
| Federal aid, grants and reimbursements                   |                     |                 |                                |
| <b>Total revenues</b>                                    |                     | 9,229           | 9,229                          |
| <b>Expenditures:</b>                                     |                     |                 |                                |
| Current -  |                     |                 |                                |
| Instruction  | 85,317              |                 | 85,317                         |
| Support services - students and staff                    |                     |                 |                                |
| Support services - administration                        |                     |                 |                                |
| Operation and maintenance of plant services              |                     |                 |                                |
| Student transportation services                          |                     |                 |                                |
| Operation of non-instructional services                  |                     |                 |                                |
| Capital outlay   |                     |                 |                                |
| <b>Total expenditures</b>                                | 85,317              |                 | 85,317                         |
| <b>Excess (deficiency) of revenues over expenditures</b> | (85,317)            | 9,229           | 94,546                         |
| <b>Other financing sources (uses):</b>                   |                     |                 |                                |
| Transfer in  |                     |                 |                                |
| Transfer out   |                     |                 |                                |
| <b>Total other financing sources (uses):</b>             |                     |                 |                                |
| <b>Changes in fund balances</b>                          | (85,317)            | 9,229           | 94,546                         |
| <b>Fund balances (deficits), beginning of year</b>       |                     | 308,830         | 308,830                        |
| <b>Fund balances (deficits), end of year</b>             | \$ (85,317)         | \$ 318,059      | \$ 403,376                     |

| Indirect Costs |                 |                                | Grants and Gifts to Teachers |          |                                |
|----------------|-----------------|--------------------------------|------------------------------|----------|--------------------------------|
| Budget         | Non-GAAP Actual | Variance - Positive (Negative) | Budget                       | Actual   | Variance - Positive (Negative) |
| \$             | \$              | \$                             | \$                           | \$ 5     | \$ 5                           |
|                |                 |                                |                              | 5        | 5                              |
|                |                 |                                |                              |          |                                |
|                |                 |                                | 2,316                        |          | 2,316                          |
| 261,791        | 182,763         | 79,028                         |                              |          |                                |
|                |                 |                                |                              |          |                                |
| 261,791        | 182,763         | 79,028                         | 2,316                        |          | 2,316                          |
| (261,791)      | (182,763)       | 79,028                         | (2,316)                      | 5        | 2,321                          |
|                | 182,763         | 182,763                        |                              |          |                                |
|                | 182,763         | 182,763                        |                              |          |                                |
| (261,791)      |                 | 261,791                        | (2,316)                      | 5        | 2,321                          |
|                |                 |                                |                              | 1,991    | 1,991                          |
| \$ (261,791)   | \$              | \$ 261,791                     | \$ (2,316)                   | \$ 1,996 | \$ 4,312                       |

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2013**

|  | Advertisement      |                 |                                |
|--|--------------------|-----------------|--------------------------------|
|  | Budget             | Non-GAAP Actual | Variance - Positive (Negative) |
| <b>Revenues:</b>   |                    |                 |                                |
| Other local  | \$                 | \$ 33           | \$ 33                          |
| State aid and grants                                     |                    |                 |                                |
| Federal aid, grants and reimbursements                   |                    |                 |                                |
| <b>Total revenues</b>                                    |                    | <u>33</u>       | <u>33</u>                      |
| <b>Expenditures:</b>                                     |                    |                 |                                |
| Current -  |                    |                 |                                |
| Instruction  |                    |                 |                                |
| Support services - students and staff                    | 13,689             | 4,385           | 9,304                          |
| Support services - administration                        |                    |                 |                                |
| Operation and maintenance of plant services              |                    |                 |                                |
| Student transportation services                          |                    |                 |                                |
| Operation of non-instructional services                  |                    |                 |                                |
| Capital outlay   |                    |                 |                                |
| <b>Total expenditures</b>                                | <u>13,689</u>      | <u>4,385</u>    | <u>9,304</u>                   |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>(13,689)</u>    | <u>(4,352)</u>  | <u>9,337</u>                   |
| <b>Other financing sources (uses):</b>                   |                    |                 |                                |
| Transfer in  |                    |                 |                                |
| Transfer out   |                    |                 |                                |
| <b>Total other financing sources (uses):</b>             |                    |                 |                                |
| <b>Changes in fund balances</b>                          | <u>(13,689)</u>    | <u>(4,352)</u>  | <u>9,337</u>                   |
| <b>Fund balances (deficits), beginning of year</b>       |                    | 13,739          | 13,739                         |
| <b>Fund balances (deficits), end of year</b>             | <u>\$ (13,689)</u> | <u>\$ 9,387</u> | <u>\$ 23,076</u>               |

| Joint Technical Education |            |                                      | Totals          |                    |                                      |
|---------------------------|------------|--------------------------------------|-----------------|--------------------|--------------------------------------|
| Budget                    | Actual     | Variance -<br>Positive<br>(Negative) | Budget          | Non-GAAP<br>Actual | Variance -<br>Positive<br>(Negative) |
| \$                        | \$ 816,012 | \$ 816,012                           | \$              | \$ 1,369,756       | \$ 1,369,756                         |
|                           |            |                                      |                 | 1,407,979          | 1,407,979                            |
|                           |            |                                      |                 | 3,842,228          | 3,842,228                            |
|                           | 816,012    | 816,012                              |                 | 6,619,963          | 6,619,963                            |
| 575,258                   | 513,292    | 61,966                               | 4,608,243       | 2,876,815          | 1,731,428                            |
| 89,693                    | 80,031     | 9,662                                | 2,416,862       | 1,286,405          | 1,130,457                            |
| 109,284                   | 97,512     | 11,772                               | 633,525         | 321,169            | 312,356                              |
| 101                       | 90         | 11                                   | 9,685           | 3,450              | 6,235                                |
|                           |            |                                      | 91,774          | 12,651             | 79,123                               |
|                           |            |                                      | 2,824,257       | 1,812,198          | 1,012,059                            |
| 7,159                     | 6,388      | 771                                  | 755,864         | 495,961            | 259,903                              |
| 781,495                   | 697,313    | 84,182                               | 11,340,210      | 6,808,649          | 4,531,561                            |
| (781,495)                 | 118,699    | 900,194                              | (11,340,210)    | (188,686)          | 11,151,524                           |
|                           | (35,869)   | (35,869)                             |                 | 182,763            | 182,763                              |
|                           | (35,869)   | (35,869)                             |                 | (182,508)          | (182,508)                            |
|                           |            |                                      |                 | 255                | 255                                  |
| (781,495)                 | 82,830     | 864,325                              | (11,340,210)    | (188,431)          | 11,151,779                           |
|                           | 529,232    | 529,232                              |                 | 3,177,066          | 3,177,066                            |
| \$ (781,495)              | \$ 612,062 | \$ 1,393,557                         | \$ (11,340,210) | \$ 2,988,635       | \$ 14,328,845                        |



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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.

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL DEBT SERVICE FUNDS**  
**YEAR ENDED JUNE 30, 2013**

|  | Debt Service |           | Variance -             |
|--|--------------|-----------|------------------------|
|  | Budget       | Actual    | Positive<br>(Negative) |
| <b>Revenues:</b>                             |              |           |                        |
| Other local                                  | \$           | \$ 17,112 | \$ 17,112              |
| Property taxes                               |              | 398,594   | 398,594                |
| <b>Total revenues</b>                        |              | 415,706   | 415,706                |
| <b>Expenditures:</b>                         |              |           |                        |
| Debt service -                               |              |           |                        |
| Principal retirement                         | 935,025      | 310,000   | 625,025                |
| Interest and fiscal charges                  |              | 289,512   | (289,512)              |
| <b>Total expenditures</b>                    | 935,025      | 599,512   | 335,513                |
| <b>Changes in fund balances</b>              | (935,025)    | (183,806) | 751,219                |
| <b>Fund balances, beginning of year</b>      |              | 239,018   | 239,018                |
| <b>Fund balances (deficits), end of year</b> | \$ (935,025) | \$ 55,212 | \$ 990,237             |

## CAPITAL PROJECTS FUNDS

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

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

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

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

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

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

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS**  
**JUNE 30, 2013**

|   | <u>Unrestricted<br/>Capital Outlay</u> | <u>Adjacent Ways</u>     | <u>Bond Building</u>   |
|---|--|--------------------------|------------------------|
| <b><u>ASSETS</u></b>                        |  |                          |                        |
| Cash and investments                        | \$ 304,109                             | \$ 410,159               | \$ 5,789               |
| Property taxes receivable                   | 59,984                                 | 19,760                   |                        |
| Due from governmental entities              | 123,105                                |                          |                        |
| <b>Total assets</b>                         | <u><u>\$ 487,198</u></u>               | <u><u>\$ 429,919</u></u> | <u><u>\$ 5,789</u></u> |
| <b><u>LIABILITIES AND FUND BALANCES</u></b> |  |                          |                        |
| Liabilities:                                |  |                          |                        |
| Accounts payable                            | \$ 13,411                              | \$                       | \$                     |
| Deferred revenues                           | 53,577                                 | 17,854                   |                        |
| <b>Total liabilities</b>                    | <u><u>66,988</u></u>                   | <u><u>17,854</u></u>     | <u><u></u></u>         |
| Fund balances:                              |  |                          |                        |
| Restricted                                  | 420,210                                | 412,065                  | 5,789                  |
| <b>Total fund balances</b>                  | <u><u>420,210</u></u>                  | <u><u>412,065</u></u>    | <u><u>5,789</u></u>    |
| <b>Total liabilities and fund balances</b>  | <u><u>\$ 487,198</u></u>               | <u><u>\$ 429,919</u></u> | <u><u>\$ 5,789</u></u> |

| <u>Energy and<br/>Water Savings</u> | <u>Building<br/>Renewal</u> | <u>Totals</u>     |
|-------------------------------------|-----------------------------|-------------------|
| \$ 9                                | \$ 37,131                   | \$ 757,197        |
|                                     |                             | 79,744            |
|                                     |                             | 123,105           |
| <u>\$ 9</u>                         | <u>\$ 37,131</u>            | <u>\$ 960,046</u> |
|                                     |                             |                   |
| \$                                  | \$                          | \$ 13,411         |
|                                     |                             | 71,431            |
|                                     |                             | 84,842            |
|                                     |                             |                   |
| 9                                   | 37,131                      | 875,204           |
| 9                                   | 37,131                      | 875,204           |
| <u>\$ 9</u>                         | <u>\$ 37,131</u>            | <u>\$ 960,046</u> |

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2013**

|  | <u>Unrestricted<br/>Capital Outlay</u> | <u>Adjacent Ways</u> | <u>Bond Building</u> |
|--|--|----------------------|----------------------|
| <b>Revenues:</b>   |  |                      |                      |
| Other local  | \$ 1,884                               | \$ 1,114             | \$                   |
| Property taxes   | 79,204                                 | 143,864              |                      |
| State aid and grants                                     | 2,357                                  |                      |                      |
| Federal aid, grants and reimbursements                   |  |                      |                      |
| <b>Total revenues</b>                                    | <u>83,445</u>                          | <u>144,978</u>       | <u></u>              |
| <b>Expenditures:</b>                                     |  |                      |                      |
| Capital outlay   | 276,283                                |                      | 21,149               |
| Debt service -   |  |                      |                      |
| Principal retirement                                     |  |                      |                      |
| Interest and fiscal charges                              |  |                      |                      |
| <b>Total expenditures</b>                                | <u>276,283</u>                         | <u></u>              | <u>21,149</u>        |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>(192,838)</u>                       | <u>144,978</u>       | <u>(21,149)</u>      |
| <b>Other financing sources (uses):</b>                   |  |                      |                      |
| Transfer in  |  |                      |                      |
| <b>Total other financing sources (uses):</b>             | <u></u>                                | <u></u>              | <u></u>              |
| <b>Changes in fund balances</b>                          | <u>(192,838)</u>                       | <u>144,978</u>       | <u>(21,149)</u>      |
| <b>Fund balances, beginning of year</b>                  | 613,048                                | 267,087              | 26,938               |
| <b>Fund balances, end of year</b>                        | <u>\$ 420,210</u>                      | <u>\$ 412,065</u>    | <u>\$ 5,789</u>      |

| Energy and<br>Water Savings | Building<br>Renewal | Building<br>Renewal Grant | Totals            |
|-----------------------------|---------------------|---------------------------|-------------------|
| \$ 32                       | \$ 175              | \$                        | \$ 3,205          |
|                             |                     |                           | 223,068           |
|                             |                     | 8,370                     | 10,727            |
| 59,952                      |                     |                           | 59,952            |
| <u>59,984</u>               | <u>175</u>          | <u>8,370</u>              | <u>296,952</u>    |
|                             | 20,739              | 8,370                     | 326,541           |
| 90,683                      |                     |                           | 90,683            |
| 83,274                      |                     |                           | 83,274            |
| <u>173,957</u>              | <u>20,739</u>       | <u>8,370</u>              | <u>500,498</u>    |
| <u>(113,973)</u>            | <u>(20,564)</u>     |                           | <u>(203,546)</u>  |
| 88,275                      |                     |                           | 88,275            |
| <u>88,275</u>               |                     |                           | <u>88,275</u>     |
| <u>(25,698)</u>             | <u>(20,564)</u>     |                           | <u>(115,271)</u>  |
| 25,707                      | 57,695              |                           | 990,475           |
| <u>\$ 9</u>                 | <u>\$ 37,131</u>    | <u>\$</u>                 | <u>\$ 875,204</u> |



**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2013**

|  | Unrestricted Capital Outlay |                   |                                      |
|--|-----------------------------|-------------------|--------------------------------------|
|  | Budget                      | Actual            | Variance -<br>Positive<br>(Negative) |
| <b>Revenues:</b>   |                             |                   |                                      |
| Other local  | \$                          | \$ 1,884          | \$ 1,884                             |
| Property taxes   |                             | 79,204            | 79,204                               |
| State aid and grants                                     |                             | 2,357             | 2,357                                |
| Federal aid, grants and reimbursements                   |                             |                   |                                      |
| <b>Total revenues</b>                                    |                             | <u>83,445</u>     | <u>83,445</u>                        |
| <b>Expenditures:</b>                                     |                             |                   |                                      |
| Current -  |                             |                   |                                      |
| Instruction  |                             |                   |                                      |
| Support services - students and staff                    |                             |                   |                                      |
| Support services - administration                        |                             |                   |                                      |
| Capital outlay   | 1,298,346                   | 276,283           | 1,022,063                            |
| Debt service -   |                             |                   |                                      |
| Principal retirement                                     |                             |                   |                                      |
| Interest and fiscal charges                              |                             |                   |                                      |
| <b>Total expenditures</b>                                | <u>1,298,346</u>            | <u>276,283</u>    | <u>1,022,063</u>                     |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>(1,298,346)</u>          | <u>(192,838)</u>  | <u>1,105,508</u>                     |
| <b>Other financing sources (uses):</b>                   |                             |                   |                                      |
| Transfer in  |                             |                   |                                      |
| <b>Total other financing sources (uses):</b>             |                             |                   |                                      |
| <b>Changes in fund balances</b>                          | <u>(1,298,346)</u>          | <u>(192,838)</u>  | <u>1,105,508</u>                     |
| <b>Fund balances, beginning of year</b>                  |                             | 613,048           | 613,048                              |
| <b>Fund balances (deficits), end of year</b>             | <u>\$ (1,298,346)</u>       | <u>\$ 420,210</u> | <u>\$ 1,718,556</u>                  |

| Adjacent Ways |                     |                                      | Soft Capital Allocation              |                                      |                                      |
|---------------|---------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Budget        | Actual              | Variance -<br>Positive<br>(Negative) | Budget                               | Non-GAAP<br>Actual                   | Variance -<br>Positive<br>(Negative) |
| \$            | \$ 1,114<br>143,864 | \$ 1,114<br>143,864                  | \$                                   | \$ 60,551<br>197,503<br>654,462      | \$ 60,551<br>197,503<br>654,462      |
|               | 144,978             | 144,978                              |                                      | 912,516                              | 912,516                              |
| 334,044       |                     | 334,044                              | 482,424<br>4,406<br>2,354<br>231,185 | 221,488<br>1,982<br>1,059<br>103,985 | 260,936<br>2,424<br>1,295<br>127,200 |
| 334,044       |                     | 334,044                              | 720,369                              | 328,514                              | 391,855                              |
| (334,044)     | 144,978             | 479,022                              | (720,369)                            | 584,002                              | 1,304,371                            |
| (334,044)     | 144,978             | 479,022                              | (720,369)                            | 584,002                              | 1,304,371                            |
|               | 267,087             | 267,087                              |                                      | 1,206,813                            | 1,206,813                            |
| \$ (334,044)  | \$ 412,065          | \$ 746,109                           | \$ (720,369)                         | \$ 1,790,815                         | \$ 2,511,184                         |

(Continued)

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2013**

|  | Bond Building       |                 | Variance -             |
|--|---------------------|-----------------|------------------------|
|  | Budget              | Actual          | Positive<br>(Negative) |
| <b>Revenues:</b>   |                     |                 |                        |
| Other local  | \$                  | \$              | \$                     |
| Property taxes   |                     |                 |                        |
| State aid and grants                                     |                     |                 |                        |
| Federal aid, grants and reimbursements                   |                     |                 |                        |
| <b>Total revenues</b>                                    |                     |                 |                        |
| <b>Expenditures:</b>                                     |                     |                 |                        |
| Current -  |                     |                 |                        |
| Instruction  |                     |                 |                        |
| Support services - students and staff                    |                     |                 |                        |
| Support services - administration                        |                     |                 |                        |
| Capital outlay   | 608,467             | 21,149          | 587,318                |
| Debt service -   |                     |                 |                        |
| Principal retirement                                     |                     |                 |                        |
| Interest and fiscal charges                              |                     |                 |                        |
| <b>Total expenditures</b>                                | <u>608,467</u>      | <u>21,149</u>   | <u>587,318</u>         |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>(608,467)</u>    | <u>(21,149)</u> | <u>587,318</u>         |
| <b>Other financing sources (uses):</b>                   |                     |                 |                        |
| Transfer in  |                     |                 |                        |
| <b>Total other financing sources (uses):</b>             |                     |                 |                        |
| <b>Changes in fund balances</b>                          | <u>(608,467)</u>    | <u>(21,149)</u> | <u>587,318</u>         |
| <b>Fund balances, beginning of year</b>                  |                     | 26,938          | 26,938                 |
| <b>Fund balances (deficits), end of year</b>             | <u>\$ (608,467)</u> | <u>\$ 5,789</u> | <u>\$ 614,256</u>      |

| Energy and Water Savings |           |                                      | Building Renewal |           |                                      |
|--------------------------|-----------|--------------------------------------|------------------|-----------|--------------------------------------|
| Budget                   | Actual    | Variance -<br>Positive<br>(Negative) | Budget           | Actual    | Variance -<br>Positive<br>(Negative) |
| \$                       | \$ 32     | \$ 32                                | \$               | \$ 175    | \$ 175                               |
|                          | 59,952    | 59,952                               |                  |           |                                      |
|                          | 59,984    | 59,984                               |                  | 175       | 175                                  |
| 175,809                  |           | 175,809                              | 223,720          | 20,739    | 202,981                              |
| 90,683                   | 90,683    |                                      |                  |           |                                      |
| 83,274                   | 83,274    |                                      |                  |           |                                      |
| 349,766                  | 173,957   | 175,809                              | 223,720          | 20,739    | 202,981                              |
| (349,766)                | (113,973) | 235,793                              | (223,720)        | (20,564)  | 203,156                              |
|                          | 88,275    | 88,275                               |                  |           |                                      |
|                          | 88,275    | 88,275                               |                  |           |                                      |
| (349,766)                | (25,698)  | 324,068                              | (223,720)        | (20,564)  | 203,156                              |
|                          | 25,707    | 25,707                               |                  | 57,695    | 57,695                               |
| \$ (349,766)             | \$ 9      | \$ 349,775                           | \$ (223,720)     | \$ 37,131 | \$ 260,851                           |

(Continued)

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2013**

|  | Building Renewal Grant |              |                                      |
|--|------------------------|--------------|--------------------------------------|
|  | Budget                 | Actual       | Variance -<br>Positive<br>(Negative) |
| <b>Revenues:</b>   |                        |              |                                      |
| Other local  | \$                     | \$           | \$                                   |
| Property taxes   |                        |              |                                      |
| State aid and grants                                     |                        | 8,370        | 8,370                                |
| Federal aid, grants and reimbursements                   |                        |              |                                      |
| <b>Total revenues</b>                                    |                        | <u>8,370</u> | <u>8,370</u>                         |
| <b>Expenditures:</b>                                     |                        |              |                                      |
| Current -  |                        |              |                                      |
| Instruction  |                        |              |                                      |
| Support services - students and staff                    |                        |              |                                      |
| Support services - administration                        |                        |              |                                      |
| Capital outlay   | 44,000                 | 8,370        | 35,630                               |
| Debt service -   |                        |              |                                      |
| Principal retirement                                     |                        |              |                                      |
| Interest and fiscal charges                              |                        |              |                                      |
| <b>Total expenditures</b>                                | <u>44,000</u>          | <u>8,370</u> | <u>35,630</u>                        |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>(44,000)</u>        |              | <u>44,000</u>                        |
| <b>Other financing sources (uses):</b>                   |                        |              |                                      |
| Transfer in  |                        |              |                                      |
| <b>Total other financing sources (uses):</b>             |                        |              |                                      |
| <b>Changes in fund balances</b>                          | <u>(44,000)</u>        |              | <u>44,000</u>                        |
| <b>Fund balances, beginning of year</b>                  |                        |              |                                      |
| <b>Fund balances (deficits), end of year</b>             | <u>\$ (44,000)</u>     | <u>\$</u>    | <u>\$ 44,000</u>                     |

| Totals                |                     |                                      |
|-----------------------|---------------------|--------------------------------------|
| Budget                | Non-GAAP<br>Actual  | Variance -<br>Positive<br>(Negative) |
| \$                    | \$ 63,756           | \$ 63,756                            |
|                       | 420,571             | 420,571                              |
|                       | 665,189             | 665,189                              |
|                       | 59,952              | 59,952                               |
|                       | <u>1,209,468</u>    | <u>1,209,468</u>                     |
| 482,424               | 221,488             | 260,936                              |
| 4,406                 | 1,982               | 2,424                                |
| 2,354                 | 1,059               | 1,295                                |
| 2,915,571             | 430,526             | 2,485,045                            |
| 90,683                | 90,683              |                                      |
| 83,274                | 83,274              |                                      |
| <u>3,578,712</u>      | <u>829,012</u>      | <u>2,749,700</u>                     |
| <u>(3,578,712)</u>    | <u>380,456</u>      | <u>3,959,168</u>                     |
|                       | 88,275              | 88,275                               |
|                       | <u>88,275</u>       | <u>88,275</u>                        |
| <u>(3,578,712)</u>    | <u>468,731</u>      | <u>4,047,443</u>                     |
|                       | 2,197,288           | 2,197,288                            |
| <u>\$ (3,578,712)</u> | <u>\$ 2,666,019</u> | <u>\$ 6,244,731</u>                  |

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## **AGENCY FUNDS**

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

**Employee Insurance** - to account for unremitted insurance deductions held by the District as an agent.

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



**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING STATEMENT OF ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**JUNE 30, 2013**

|                           | <u>Student Activities</u> | <u>Employee<br/>Insurance</u> | <u>Employee<br/>Withholding</u> | <u>Totals</u>     |
|---------------------------|---------------------------|-------------------------------|---------------------------------|-------------------|
| <b><u>ASSETS</u></b>      |                           |                               |                                 |                   |
| Cash and investments      | \$ 93,172                 | \$ 384,499                    | \$ 497,172                      | \$ 974,843        |
| <b>Total assets</b>       | <u>\$ 93,172</u>          | <u>\$ 384,499</u>             | <u>\$ 497,172</u>               | <u>\$ 974,843</u> |
| <b><u>LIABILITIES</u></b> |                           |                               |                                 |                   |
| Deposits held for others  | \$                        | \$ 384,499                    | \$ 497,172                      | \$ 881,671        |
| Due to student groups     | 93,172                    |                               |                                 | 93,172            |
| <b>Total liabilities</b>  | <u>\$ 93,172</u>          | <u>\$ 384,499</u>             | <u>\$ 497,172</u>               | <u>\$ 974,843</u> |

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**YEAR ENDED JUNE 30, 2013**

|   | <u>Beginning<br/>Balance</u> | <u>Additions</u> | <u>Deductions</u> | <u>Ending<br/>Balance</u> |
|---|------------------------------|------------------|-------------------|---------------------------|
| <b><u>STUDENT ACTIVITIES FUND</u></b>   |                              |                  |                   |                           |
| <u>Assets</u>                           |                              |                  |                   |                           |
| Cash and investments                    | \$ 82,884                    | \$ 105,385       | \$ 95,097         | \$ 93,172                 |
| Total assets                            | \$ 82,884                    | \$ 105,385       | \$ 95,097         | \$ 93,172                 |
| <u>Liabilities</u>                      |                              |                  |                   |                           |
| Due to student groups                   | \$ 82,884                    | \$ 105,385       | \$ 95,097         | \$ 93,172                 |
| Total liabilities                       | \$ 82,884                    | \$ 105,385       | \$ 95,097         | \$ 93,172                 |
| <b><u>EMPLOYEE INSURANCE FUND</u></b>   |                              |                  |                   |                           |
| <u>Assets</u>                           |                              |                  |                   |                           |
| Cash and investments                    | \$ 449,892                   | \$ 3,333,226     | \$ 3,398,619      | \$ 384,499                |
| Total assets                            | \$ 449,892                   | \$ 3,333,226     | \$ 3,398,619      | \$ 384,499                |
| <u>Liabilities</u>                      |                              |                  |                   |                           |
| Deposits held for others                | \$ 449,892                   | \$ 3,333,226     | \$ 3,398,619      | \$ 384,499                |
| Total liabilities                       | \$ 449,892                   | \$ 3,333,226     | \$ 3,398,619      | \$ 384,499                |
| <b><u>EMPLOYEE WITHHOLDING FUND</u></b> |                              |                  |                   |                           |
| <u>Assets</u>                           |                              |                  |                   |                           |
| Cash and investments                    | \$                           | \$ 6,547,427     | \$ 6,050,255      | \$ 497,172                |
| Total assets                            | \$                           | \$ 6,547,427     | \$ 6,050,255      | \$ 497,172                |
| <u>Liabilities</u>                      |                              |                  |                   |                           |
| Deposits held for others                | \$                           | \$ 6,547,427     | \$ 6,050,255      | \$ 497,172                |
| Total liabilities                       | \$                           | \$ 6,547,427     | \$ 6,050,255      | \$ 497,172                |
| <b><u>TOTAL AGENCY FUNDS</u></b>        |                              |                  |                   |                           |
| <u>Assets</u>                           |                              |                  |                   |                           |
| Cash and investments                    | \$ 532,776                   | \$ 9,986,038     | \$ 9,543,971      | \$ 974,843                |
| Total assets                            | \$ 532,776                   | \$ 9,986,038     | \$ 9,543,971      | \$ 974,843                |
| <u>Liabilities</u>                      |                              |                  |                   |                           |
| Deposits held for others                | \$ 449,892                   | \$ 9,880,653     | \$ 9,448,874      | \$ 881,671                |
| Due to student groups                   | 82,884                       | 105,385          | 95,097            | 93,172                    |
| Total liabilities                       | \$ 532,776                   | \$ 9,986,038     | \$ 9,543,971      | \$ 974,843                |

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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.

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**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

|                                  | <b>Fiscal Year Ended June 30</b> |                      |                      |                      |                      |
|----------------------------------|----------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                  | <b><u>2013</u></b>               | <b><u>2012</u></b>   | <b><u>2011</u></b>   | <b><u>2010</u></b>   | <b><u>2009</u></b>   |
| <b>Net Position:</b>             |                                  |                      |                      |                      |                      |
| Net investment in capital assets | \$ 28,343,182                    | \$ 29,276,531        | \$ 30,572,945        | \$ 34,850,360        | \$ 30,817,230        |
| Restricted                       | 2,954,030                        | 3,558,660            | 3,897,010            | 2,189,507            | 1,285,491            |
| Unrestricted                     | 3,608,836                        | 5,980,901            | 7,528,236            | 5,936,929            | 5,491,455            |
| Total net position               | <u>\$ 34,906,048</u>             | <u>\$ 38,816,092</u> | <u>\$ 41,998,191</u> | <u>\$ 42,976,796</u> | <u>\$ 37,594,176</u> |
|                                  | <b><u>2008</u></b>               | <b><u>2007</u></b>   | <b><u>2006</u></b>   | <b><u>2005</u></b>   | <b><u>2004</u></b>   |
| <b>Net Position:</b>             |                                  |                      |                      |                      |                      |
| Net investment in capital assets | \$ 30,074,988                    | \$ 30,056,109        | \$ 29,270,589        | \$ 28,089,399        | \$ 26,087,717        |
| Restricted                       | 2,945,518                        | 4,228,481            | 2,657,505            | 2,383,785            | 2,554,986            |
| Unrestricted                     | 4,498,888                        | 2,474,019            | 5,761,993            | 4,733,339            | 3,913,896            |
| Total net position               | <u>\$ 37,519,394</u>             | <u>\$ 36,758,609</u> | <u>\$ 37,690,087</u> | <u>\$ 35,206,523</u> | <u>\$ 32,556,599</u> |

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

|   | <b>Fiscal Year Ended June 30</b> |                        |                        |                        |                        |
|---|----------------------------------|------------------------|------------------------|------------------------|------------------------|
|   | <b><u>2013</u></b>               | <b><u>2012</u></b>     | <b><u>2011</u></b>     | <b><u>2010</u></b>     | <b><u>2009</u></b>     |
| <b>Expenses</b>                             |                                  |                        |                        |                        |                        |
| Instruction                                 | \$ 15,561,057                    | \$ 16,260,656          | \$ 17,841,561          | \$ 17,193,268          | \$ 17,343,288          |
| Support services - students and staff       | 4,146,037                        | 4,044,306              | 4,213,389              | 4,909,283              | 3,377,009              |
| Support services - administration           | 3,937,840                        | 3,506,391              | 3,852,387              | 4,278,874              | 4,161,607              |
| Operation and maintenance of plant services | 3,809,971                        | 3,835,953              | 4,113,500              | 3,781,781              | 4,413,063              |
| Student transportation services             | 685,326                          | 688,064                | 1,037,984              | 696,240                | 644,805                |
| Operation of non-instructional services     | 1,878,777                        | 1,790,705              | 1,776,853              | 2,111,085              | 2,019,035              |
| Interest on long-term debt                  | 386,430                          | 408,367                | 431,757                | 92,143                 | 123,043                |
| Total expenses                              | <u>30,405,438</u>                | <u>30,534,442</u>      | <u>33,267,431</u>      | <u>33,062,674</u>      | <u>32,081,850</u>      |
| <b>Program Revenues</b>                     |                                  |                        |                        |                        |                        |
| Charges for services:                       |                                  |                        |                        |                        |                        |
| Instruction                                 | 963,143                          | 1,325,996              | 1,077,451              | 992,987                | 1,068,210              |
| Operation of non-instructional services     | 409,732                          | 420,149                | 161,359                | 398,342                | 49,981                 |
| Other activities                            | 38,669                           | 29,769                 | 30,000                 | 429,339                | 384,528                |
| Operating grants and contributions          | 6,846,685                        | 7,013,310              | 7,004,441              | 9,497,217              | 6,822,564              |
| Capital grants and contributions            | 488,268                          | 533,701                | 665,494                | 4,623,246              | 1,006,217              |
| Total program revenues                      | <u>8,746,497</u>                 | <u>9,322,925</u>       | <u>8,938,745</u>       | <u>15,941,131</u>      | <u>9,331,500</u>       |
| <b>Net (Expense)/Revenue</b>                | <u>\$ (21,658,941)</u>           | <u>\$ (21,211,517)</u> | <u>\$ (24,328,686)</u> | <u>\$ (17,121,543)</u> | <u>\$ (22,750,350)</u> |

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**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

|   | <u>2008</u>            | <u>2007</u>            | <u>2006</u>            | <u>2005</u>            | <u>2004</u>            |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>Expenses</b>                             |                        |                        |                        |                        |                        |
| Instruction                                 | \$ 17,834,162          | \$ 19,063,940          | \$ 16,820,718          | \$ 15,810,974          | \$ 16,833,993          |
| Support services - students and staff       | 2,879,445              | 2,728,216              | 2,670,700              | 2,129,529              | 2,045,518              |
| Support services - administration           | 3,664,508              | 3,343,558              | 3,281,778              | 3,446,740              | 3,208,522              |
| Operation and maintenance of plant services | 4,311,968              | 4,099,917              | 3,620,249              | 3,448,839              | 2,769,928              |
| Student transportation services             | 617,619                | 547,154                | 482,146                | 470,117                | 454,475                |
| Operation of non-instructional services     | 1,908,757              | 1,759,754              | 1,478,780              | 1,249,514              | 1,448,525              |
| Interest on long-term debt                  | 153,544                | 180,909                | 205,395                | 238,292                | 268,127                |
| Total expenses                              | <u>31,370,003</u>      | <u>31,723,448</u>      | <u>28,559,766</u>      | <u>26,794,005</u>      | <u>27,029,088</u>      |
| <b>Program Revenues</b>                     |                        |                        |                        |                        |                        |
| Charges for services:                       |                        |                        |                        |                        |                        |
| Instruction                                 | 1,038,252              | 888,597                | 837,764                | 570,685                | 200,106                |
| Operation of non-instructional services     | 281,964                | 272,112                | 410,206                | 297,373                | 188,658                |
| Other activities                            | 45,114                 | 17,831                 | 13,643                 | 233,583                | 51,540                 |
| Operating grants and contributions          | 6,014,897              | 5,464,554              | 5,733,337              | 5,052,553              | 4,347,401              |
| Capital grants and contributions            | 430,206                | 260,781                | 764,779                | 1,240,431              | 2,407,164              |
| Total program revenues                      | <u>7,810,433</u>       | <u>6,903,875</u>       | <u>7,759,729</u>       | <u>7,394,625</u>       | <u>7,194,869</u>       |
| <b>Net (Expense)/Revenue</b>                | <u>\$ (23,559,570)</u> | <u>\$ (24,819,573)</u> | <u>\$ (20,800,037)</u> | <u>\$ (19,399,380)</u> | <u>\$ (19,834,219)</u> |

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



**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

|   | <b>Fiscal Year Ended June 30</b> |                              |                            |                            |                          |
|---|----------------------------------|------------------------------|----------------------------|----------------------------|--------------------------|
|   | <b><u>2013</u></b>               | <b><u>2012</u></b>           | <b><u>2011</u></b>         | <b><u>2010</u></b>         | <b><u>2009</u></b>       |
| <b>Net (Expense)/Revenue</b>                | \$ (21,658,941)                  | \$ (21,211,517)              | \$ (24,328,686)            | \$ (17,121,543)            | \$ (22,750,350)          |
| <b>General Revenues:</b>                    |                                  |                              |                            |                            |                          |
| Taxes:                                      |                                  |                              |                            |                            |                          |
| Property taxes, levied for general purposes | 1,163,447                        | 397,877                      | 4,061,894                  | 1,918,514                  | 2,011,783                |
| Property taxes, levied for debt service     | 378,410                          | 585,907                      | 677,328                    | 593,885                    | 1,211,057                |
| Property taxes, levied for capital outlay   | 370,988                          | 1,123,544                    | 664,704                    | 1,215,963                  |                          |
| Investment income                           | 19,895                           | 39,679                       | 43,212                     | 63,807                     | 110,593                  |
| Unrestricted county aid                     | 1,124,042                        | 987,121                      | 835,422                    | 722,029                    | 669                      |
| Unrestricted state aid                      | 14,638,011                       | 14,895,290                   | 16,886,641                 | 15,907,279                 | 19,491,030               |
| Unrestricted federal aid                    | 54,104                           |                              | 180,880                    | 2,082,686                  |                          |
| <b>Total general revenues</b>               | <b><u>17,748,897</u></b>         | <b><u>18,029,418</u></b>     | <b><u>23,350,081</u></b>   | <b><u>22,504,163</u></b>   | <b><u>22,825,132</u></b> |
| <b>Changes in Net Position</b>              | <b><u>\$ (3,910,044)</u></b>     | <b><u>\$ (3,182,099)</u></b> | <b><u>\$ (978,605)</u></b> | <b><u>\$ 5,382,620</u></b> | <b><u>\$ 74,782</u></b>  |

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

|   | <u><b>2008</b></u> | <u><b>2007</b></u>  | <u><b>2006</b></u>  | <u><b>2005</b></u>  | <u><b>2004</b></u>   |
|---|--------------------|---------------------|---------------------|---------------------|----------------------|
| <b>Net (Expense)/Revenue</b>                | \$ (23,559,570)    | \$ (24,819,573)     | \$ (20,800,037)     | \$ (19,399,380)     | \$ (19,834,219)      |
| <b>General Revenues:</b>                    |                    |                     |                     |                     |                      |
| Taxes:                                      |                    |                     |                     |                     |                      |
| Property taxes, levied for general purposes | 1,747,944          | 705,729             | 1,154,847           | 2,145,942           | 2,107,271            |
| Property taxes, levied for debt service     | 1,112,759          | 868,837             | 640,847             | 817,745             | 984,040              |
| Property taxes, levied for capital outlay   | 59,363             | 1,715,755           | 1,244,032           | 169,873             | 15,300               |
| Investment income                           | 352,938            | 257,928             | 190,707             | 67,605              | 77,241               |
| Unrestricted county aid                     | 4,037              | 16,886              | 577,687             | 566,811             | 544,935              |
| Unrestricted state aid                      | 21,043,314         | 20,322,960          | 19,179,853          | 18,281,328          | 31,657,457           |
| <b>Total general revenues</b>               | <u>24,320,355</u>  | <u>23,888,095</u>   | <u>22,987,973</u>   | <u>22,049,304</u>   | <u>35,386,244</u>    |
| <b>Changes in Net Position</b>              | <u>\$ 760,785</u>  | <u>\$ (931,478)</u> | <u>\$ 2,187,936</u> | <u>\$ 2,649,924</u> | <u>\$ 15,552,025</u> |

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

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

|                                    | <b>Fiscal Year Ended June 30</b> |                     |                     |                      |                     |
|------------------------------------|----------------------------------|---------------------|---------------------|----------------------|---------------------|
|                                    | <b><u>2013</u></b>               | <b><u>2012</u></b>  | <b><u>2011</u></b>  | <b><u>2010</u></b>   | <b><u>2009</u></b>  |
| General Fund:                      |                                  |                     |                     |                      |                     |
| Nonspendable                       | \$ 323,988                       | \$ 682,028          | \$ 503,343          | \$                   | \$                  |
| Unassigned                         | 3,120,729                        | 5,069,803           | 6,594,709           |                      |                     |
| Reserved                           |                                  |                     |                     | 333,882              | 322,881             |
| Unreserved                         |                                  |                     |                     | 850,466              | (158,614)           |
| Total General Fund                 | <u>\$ 3,444,717</u>              | <u>\$ 5,751,831</u> | <u>\$ 7,098,052</u> | <u>\$ 1,184,348</u>  | <u>\$ 164,267</u>   |
| All Other Governmental Funds:      |                                  |                     |                     |                      |                     |
| Restricted                         | \$ 2,845,152                     | \$ 3,388,301        | \$ 3,272,963        | \$                   | \$                  |
| Unassigned                         | (46,372)                         | (77,491)            |                     |                      |                     |
| Reserved                           |                                  |                     |                     |                      | 7,526               |
| Unreserved, reported in:           |                                  |                     |                     |                      |                     |
| Special revenue funds              |                                  |                     |                     | 3,034,201            | 2,715,339           |
| Capital projects funds             |                                  |                     |                     | 8,101,938            | 796,388             |
| Debt service fund                  |                                  |                     |                     | 144,222              | 256,958             |
| Total all other governmental funds | <u>\$ 2,798,780</u>              | <u>\$ 3,310,810</u> | <u>\$ 3,272,963</u> | <u>\$ 11,280,361</u> | <u>\$ 3,776,211</u> |

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

|                                    | <u>2008</u>         | <u>2007</u>         | <u>2006</u>         | <u>2005</u>         | <u>2004</u>         |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| General Fund:                      |                     |                     |                     |                     |                     |
| Reserved                           | \$ 480,181          | \$ 125,846          | \$ 162,973          | \$ 155,402          | \$ 211,999          |
| Unreserved                         | 314,448             | 195,064             | 1,367,162           | 1,664,108           | 1,784,700           |
| Total General Fund                 | <u>\$ 794,629</u>   | <u>\$ 320,910</u>   | <u>\$ 1,530,135</u> | <u>\$ 1,819,510</u> | <u>\$ 1,996,699</u> |
| All Other Governmental Funds:      |                     |                     |                     |                     |                     |
| Reserved                           | \$ 10,524           | \$ 12,528           | \$ 17,267           | \$ 20,777           | \$                  |
| Unreserved, reported in:           |                     |                     |                     |                     |                     |
| Special revenue funds              | 2,297,125           | 1,279,780           | 2,782,126           | 2,112,524           | 944,016             |
| Capital projects funds             | 2,664,402           | 3,945,363           | 2,195,063           | 1,533,514           | 1,671,195           |
| Debt service fund                  | 136,972             | 100,645             | 251,813             | 665,157             | 705,625             |
| Total all other governmental funds | <u>\$ 5,109,023</u> | <u>\$ 5,338,316</u> | <u>\$ 5,246,269</u> | <u>\$ 4,331,972</u> | <u>\$ 3,320,836</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.

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

|                                   | Fiscal Year Ended June 30   |                             |                             |                             |                             |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|                                   | <u>2013</u>                 | <u>2012</u>                 | <u>2011</u>                 | <u>2010</u>                 | <u>2009</u>                 |
| <b>Federal sources:</b>           |                             |                             |                             |                             |                             |
| Federal grants                    | \$ 5,584,171                | \$ 5,377,822                | \$ 5,320,653                | \$ 11,396,212               | \$ 5,002,016                |
| State Fiscal Stabilization (ARRA) |                             |                             | 180,880                     | 2,082,686                   |                             |
| Education Jobs                    |                             | 53,151                      | 707,913                     |                             |                             |
| National School Lunch Program     | 1,679,849                   | 1,768,791                   | 1,669,864                   | 1,773,698                   | 1,646,185                   |
| Total federal sources             | <u>7,264,020</u>            | <u>7,199,764</u>            | <u>7,879,310</u>            | <u>15,252,596</u>           | <u>6,648,201</u>            |
| <b>State sources:</b>             |                             |                             |                             |                             |                             |
| State equalization assistance     | 13,324,991                  | 14,148,977                  | 15,751,557                  | 16,097,611                  | 16,553,192                  |
| State grants                      | 111,699                     | 195,925                     | 90,601                      | 234,667                     | 2,078,367                   |
| Other revenues                    | 1,304,650                   | 1,292,206                   | 1,157,726                   | 1,214,935                   | 32,980                      |
| Total state sources               | <u>14,741,340</u>           | <u>15,637,108</u>           | <u>16,999,884</u>           | <u>17,547,213</u>           | <u>18,664,539</u>           |
| <b>Local sources:</b>             |                             |                             |                             |                             |                             |
| Property taxes                    | 1,962,618                   | 2,375,743                   | 5,180,392                   | 3,671,680                   | 3,157,114                   |
| County aid                        | 1,124,042                   | 987,121                     | 835,422                     | 722,029                     | 669                         |
| Food service sales                | 165,190                     | 185,369                     | 161,359                     | 184,889                     | 202,739                     |
| Investment income                 | 19,895                      | 39,679                      | 43,212                      | 63,809                      | 110,593                     |
| Other revenues                    | 1,268,062                   | 1,741,867                   | 1,205,416                   | 1,721,349                   | 1,582,957                   |
| Total local sources               | <u>4,539,807</u>            | <u>5,329,779</u>            | <u>7,425,801</u>            | <u>6,363,756</u>            | <u>5,054,072</u>            |
| <b>Total revenues</b>             | <u><u>\$ 26,545,167</u></u> | <u><u>\$ 28,166,651</u></u> | <u><u>\$ 32,304,995</u></u> | <u><u>\$ 39,163,565</u></u> | <u><u>\$ 30,366,812</u></u> |

(Continued)

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

|                               | <u>2008</u>                 | <u>2007</u>                 | <u>2006</u>                 | <u>2005</u>                 | <u>2004</u>                 |
|-------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Federal sources:</b>       |                             |                             |                             |                             |                             |
| Federal grants                | \$ 4,620,887                | \$ 4,080,218                | \$ 4,572,004                | \$ 4,876,135                | \$ 5,452,897                |
| National School Lunch Program | 1,510,340                   | 1,344,709                   | 1,281,516                   | 1,162,495                   | 1,069,506                   |
| Total federal sources         | <u>6,131,227</u>            | <u>5,424,927</u>            | <u>5,853,520</u>            | <u>6,038,630</u>            | <u>6,522,403</u>            |
| <b>State sources:</b>         |                             |                             |                             |                             |                             |
| State equalization assistance | 18,442,289                  | 17,735,350                  | 15,984,916                  | 15,186,853                  | 15,386,141                  |
| State grants                  | 383,990                     | 245,059                     | 207,961                     | 254,354                     | 232,163                     |
| School Facilities Board       | 352,670                     | 713,339                     | 1,082,701                   | 1,605,273                   | 15,200,662                  |
| Other revenues                | 2,248,355                   | 1,874,271                   | 2,118,795                   | 1,566,917                   | 1,065,578                   |
| Total state sources           | <u>21,427,304</u>           | <u>20,568,019</u>           | <u>19,394,373</u>           | <u>18,613,397</u>           | <u>31,884,544</u>           |
| <b>Local sources:</b>         |                             |                             |                             |                             |                             |
| Property taxes                | 2,877,938                   | 3,402,374                   | 3,141,544                   | 3,085,780                   | 3,166,646                   |
| County aid                    | 4,037                       | 16,886                      | 577,687                     | 566,811                     | 544,935                     |
| Food service sales            | 188,051                     | 202,802                     | 195,114                     | 163,038                     | 111,375                     |
| Investment income             | 352,938                     | 257,928                     | 190,707                     | 67,605                      | 77,241                      |
| Other revenues                | 1,376,895                   | 975,738                     | 1,066,499                   | 938,603                     | 328,928                     |
| Total local sources           | <u>4,799,859</u>            | <u>4,855,728</u>            | <u>5,171,551</u>            | <u>4,821,837</u>            | <u>4,229,125</u>            |
| <b>Total revenues</b>         | <u><u>\$ 32,358,390</u></u> | <u><u>\$ 30,848,674</u></u> | <u><u>\$ 30,419,444</u></u> | <u><u>\$ 29,473,864</u></u> | <u><u>\$ 42,636,072</u></u> |

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

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

**(Concluded)**

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

|   | <b>Fiscal Year Ended June 30</b> |                             |                             |                             |                             |
|---|----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|   | <b><u>2013</u></b>               | <b><u>2012</u></b>          | <b><u>2011</u></b>          | <b><u>2010</u></b>          | <b><u>2009</u></b>          |
| <b>Expenditures:</b>                                    |                                  |                             |                             |                             |                             |
| Current -   |                                  |                             |                             |                             |                             |
| Instruction   | \$ 13,806,716                    | \$ 14,729,785               | \$ 13,523,776               | \$ 15,731,136               | \$ 15,102,110               |
| Support services - students and staff                   | 4,112,269                        | 3,912,817                   | 3,613,733                   | 4,858,762                   | 3,295,576                   |
| Support services - administration                       | 3,804,782                        | 3,227,155                   | 3,560,419                   | 3,756,522                   | 3,758,653                   |
| Operation and maintenance of plant services             | 3,194,046                        | 3,234,682                   | 3,259,655                   | 3,313,024                   | 3,632,650                   |
| Student transportation services                         | 551,958                          | 493,999                     | 527,036                     | 605,059                     | 542,207                     |
| Operation of non-instructional services                 | 1,831,798                        | 1,755,419                   | 1,648,569                   | 1,910,702                   | 1,859,046                   |
| Capital outlay  | 931,233                          | 1,522,832                   | 8,997,027                   | 7,092,311                   | 2,878,248                   |
| Debt service -  |                                  |                             |                             |                             |                             |
| Claims and judgements                                   |                                  |                             | 29,497                      |                             | 16,248                      |
| Interest, premium and fiscal charges                    | 372,786                          | 394,723                     | 350,018                     | 24,050                      | 54,950                      |
| Principal retirement                                    | 400,683                          | 382,298                     | 248,000                     | 740,000                     | 1,030,000                   |
| Bond issuance costs                                     |                                  |                             |                             | 189,834                     |                             |
| <b>Total expenditures</b>                               | <b><u>\$ 29,006,271</u></b>      | <b><u>\$ 29,653,710</u></b> | <b><u>\$ 35,757,730</u></b> | <b><u>\$ 38,221,400</u></b> | <b><u>\$ 32,169,688</u></b> |
| Expenditures for capitalized assets                     | \$ 596,419                       | \$ 462,044                  | \$ 4,294,000                | \$ 5,983,990                | \$ 1,076,419                |
| Debt service as a percentage of noncapital expenditures | 3%                               | 3%                          | 2%                          | 2%                          | 4%                          |

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

|   | <u>2008</u>          | <u>2007</u>          | <u>2006</u>          | <u>2005</u>          | <u>2004</u>          |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Expenditures:</b>                                    |                      |                      |                      |                      |                      |
| Current -   |                      |                      |                      |                      |                      |
| Instruction   | \$ 15,898,466        | \$ 16,297,105        | \$ 14,755,818        | \$ 13,889,562        | \$ 13,756,825        |
| Support services - students and staff                   | 2,759,700            | 2,607,179            | 2,599,809            | 2,035,646            | 1,564,137            |
| Support services - administration                       | 3,687,157            | 3,251,906            | 3,174,986            | 3,003,802            | 2,386,376            |
| Operation and maintenance of plant services             | 3,477,072            | 3,547,550            | 3,153,788            | 3,085,509            | 2,654,541            |
| Student transportation services                         | 485,546              | 449,169              | 326,570              | 261,740              | 295,364              |
| Operation of non-instructional services                 | 1,807,614            | 1,628,702            | 1,378,282            | 1,185,610            | 1,344,808            |
| Capital outlay  | 3,201,447            | 2,988,582            | 3,343,787            | 4,051,404            | 18,988,392           |
| Debt service -  |                      |                      |                      |                      |                      |
| Claims and judgements                                   |                      |                      |                      |                      |                      |
| Interest, premium and fiscal charges                    | 85,451               | 112,816              | 137,302              | 170,199              | 200,034              |
| Principal retirement                                    | 1,063,842            | 1,040,977            | 928,241              | 920,625              | 857,764              |
| Bond issuance costs                                     |                      |                      |                      |                      |                      |
| <b>Total expenditures</b>                               | <u>\$ 32,466,295</u> | <u>\$ 31,923,986</u> | <u>\$ 29,798,583</u> | <u>\$ 28,604,097</u> | <u>\$ 42,048,241</u> |
| Expenditures for capitalized assets                     | \$ 417,468           | \$ 1,154,667         | \$ 1,680,135         | \$ 2,236,029         | \$ 15,110,391        |
| Debt service as a percentage of noncapital expenditures | 4%                   | 4%                   | 4%                   | 4%                   | 4%                   |

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

(Concluded)



**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**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>2013</u>               | <u>2012</u>           | <u>2011</u>           | <u>2010</u>         | <u>2009</u>           |
| <b>Excess (deficiency) of revenues over expenditures</b> | \$ (2,461,104)            | \$ (1,487,059)        | \$ (3,452,735)        | \$ 942,165          | \$ (1,802,876)        |
| <b>Other financing sources (uses):</b>                   |                           |                       |                       |                     |                       |
| School improvement bonds issued                          |                           |                       |                       | 7,648,000           |                       |
| Discount on sale of bonds                                |                           |                       |                       | (69,409)            |                       |
| Capital lease agreements                                 |                           |                       | 1,189,580             |                     |                       |
| Transfers in   | 271,038                   | 170,085               | 179,723               | 203,394             | 1,471,552             |
| Transfers out  | (271,038)                 | (170,085)             | (179,723)             | (203,394)           | (1,471,552)           |
| Total other financing sources (uses)                     |                           |                       | 1,189,580             | 7,578,591           |                       |
| <b>Changes in fund balances</b>                          | <u>\$ (2,461,104)</u>     | <u>\$ (1,487,059)</u> | <u>\$ (2,263,155)</u> | <u>\$ 8,520,756</u> | <u>\$ (1,802,876)</u> |
|  | <u>2008</u>               | <u>2007</u>           | <u>2006</u>           | <u>2005</u>         | <u>2004</u>           |
| <b>Excess (deficiency) of revenues over expenditures</b> | \$ (107,905)              | \$ (1,075,312)        | \$ 620,861            | \$ 869,767          | \$ 587,831            |
| <b>Other financing sources (uses):</b>                   |                           |                       |                       |                     |                       |
| Capital lease agreements                                 |                           |                       |                       |                     | 63,095                |
| Transfers in   | 702,599                   | 229,962               |                       | 148,177             | 66,704                |
| Transfers out  | (702,599)                 | (229,962)             |                       | (148,177)           | (66,704)              |
| Total other financing sources (uses)                     |                           |                       |                       |                     | 63,095                |
| <b>Changes in fund balances</b>                          | <u>\$ (107,905)</u>       | <u>\$ (1,075,312)</u> | <u>\$ 620,861</u>     | <u>\$ 869,767</u>   | <u>\$ 650,926</u>     |

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

| <b>Fiscal<br/>Year<br/>Ended<br/>June 30</b> | <b>Real Property</b>            |                                | <b>Personal<br/>Property</b> | <b>Less:<br/>Tax Exempt<br/>Real Property</b> | <b>Total Taxable<br/>Assessed<br/>Valuation</b> | <b>Total<br/>Direct<br/>Rate</b> | <b>Estimated<br/>Actual Value</b> | <b>Ratio of<br/>Net Assessed<br/>to Estimated<br/>Actual Value</b> |   |
|--|---------------------------------|--------------------------------|------------------------------|---|---|----------------------------------|-----------------------------------|--|---|
|  | <b>Residential<br/>Property</b> | <b>Commercial<br/>Property</b> |                              |   |   |                                  |                                   |  |   |
| 2013   | \$ 41,294,295                   | \$ 41,590,261                  | \$ 7,475,609                 | \$ 15,697,602                                 | \$ 74,662,563                                   | 3.01                             | \$ 688,509,192                    | 10.84  | % |
| 2012   | 41,824,298                      | 41,968,989                     | 7,556,206                    | 15,301,638                                    | 76,047,855                                      | 3.32                             | 694,974,282                       | 10.94  |   |
| 2011   | 42,294,793                      | 43,089,500                     | 8,065,860                    | 15,250,534                                    | 78,199,619                                      | 8.74                             | 701,419,679                       | 11.15  |   |
| 2010   | 40,294,137                      | 37,923,590                     | 8,761,135                    | 12,672,843                                    | 74,306,019                                      | 6.12                             | 647,530,839                       | 11.48  |   |
| 2009   |                                 |                                |                              |   | 74,722,856                                      | 5.16                             | 635,863,021                       | 11.75  |   |
| 2008   |                                 |                                |                              |   | 69,113,326                                      | 4.68                             | 572,506,151                       | 12.07  |   |
| 2007   |                                 |                                |                              |   | 66,492,699                                      | 6.37                             | 537,953,409                       | 12.36  |   |
| 2006   |                                 |                                |                              |   | 57,595,672                                      | 6.16                             | 474,089,819                       | 12.15  |   |
| 2005   |                                 |                                |                              |   | 52,243,317                                      | 6.81                             | 407,543,842                       | 12.82  |   |
| 2004   |                                 |                                |                              |   | 50,673,005                                      | 6.88                             | 393,789,594                       | 12.87  |   |

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

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY BY CLASS**  
**LAST TEN FISCAL YEARS**

| <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 | \$ 25,139,136        | \$ 25,767,786        | \$ 27,073,241        | \$ 27,552,654        | \$ 28,527,823        |
| Agricultural and Vacant                      | 10,031,488           | 10,155,891           | 10,486,873           | 7,913,565            | 8,084,191            |
| Residential (Owner Occupied)                 | 26,226,198           | 33,862,691           | 34,427,551           | 32,859,795           | 32,137,204           |
| Residential (Rental)                         | 13,184,541           | 6,190,301            | 6,132,339            | 5,913,254            | 5,904,100            |
| Railroad, Private Cars and Airlines          |                      |                      |                      |                      |                      |
| Historical Property                          | 68,231               | 71,186               | 79,615               | 66,751               | 69,538               |
| Certain Government Property Improvements     | 12,969               |                      |                      |                      |                      |
| Total  | <u>\$ 74,662,563</u> | <u>\$ 76,047,855</u> | <u>\$ 78,199,619</u> | <u>\$ 74,306,019</u> | <u>\$ 74,722,856</u> |

| <u>Class</u>                                 | <u>Fiscal Year</u>   |                      |                      |                      |                      |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
|  | <u>2008</u>          | <u>2007</u>          | <u>2006</u>          | <u>2005</u>          | <u>2004</u>          |
| Commercial, Industrial, Utilities and Mining | \$ 27,735,980        | \$ 26,441,166        | \$ 24,476,213        | \$ 22,243,511        | \$ 21,761,310        |
| Agricultural and Vacant                      | 8,658,478            | 8,570,787            | 5,989,789            | 5,684,741            | 5,443,783            |
| Residential (Owner Occupied)                 | 27,968,296           | 26,778,053           | 23,166,987           | 20,588,176           | 19,971,024           |
| Residential (Rental)                         | 4,687,886            | 4,596,760            | 3,866,699            | 3,639,741            | 3,444,141            |
| Railroad, Private Cars and Airlines          |                      | 42,290               | 40,806               | 40,806               | 12,939               |
| Historical Property                          | 62,686               | 63,643               | 55,178               | 46,342               | 39,808               |
| Certain Government Property Improvements     |                      |                      |                      |                      |                      |
| Total  | <u>\$ 69,113,326</u> | <u>\$ 66,492,699</u> | <u>\$ 57,595,672</u> | <u>\$ 52,243,317</u> | <u>\$ 50,673,005</u> |

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**PROPERTY TAX ASSESSMENT RATIOS**  
**LAST TEN FISCAL YEARS**

| <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          |

| <u>Class</u>                                 | <u>Fiscal Year</u> |             |             |             |             |
|--|--------------------|-------------|-------------|-------------|-------------|
|  | <u>2008</u>        | <u>2007</u> | <u>2006</u> | <u>2005</u> | <u>2004</u> |
| Commercial, Industrial, Utilities and Mining | 24 %               | 25 %        | 25 %        | 25 %        | 25 %        |
| Agricultural and Vacant                      | 16                 | 16          | 16          | 16          | 16          |
| Residential (Owner Occupied)                 | 10                 | 10          | 10          | 10          | 10          |
| Residential (Rental)                         | 10                 | 10          | 10          | 10          | 10          |
| Railroad, Private Cars and Airlines          | 21                 | 22          | 21          | 21          | 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.

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**LAST TEN FISCAL YEARS**

| Fiscal<br>Year<br>Ended<br>June 30 | Overlapping Rates |        |                 |                     |                     |                        |                        |               | District Direct Rates |           |       |
|------------------------------------|-------------------|--------|-----------------|---------------------|---------------------|------------------------|------------------------|---------------|-----------------------|-----------|-------|
|                                    | State             |        | County          | Flood               | Community           | Fire                   | Joint                  | City          |                       |           |       |
|                                    | Equalization      | County | Free<br>Library | Control<br>District | College<br>District | District<br>Assistance | Technology<br>District | of<br>Douglas | Primary               | Secondary | Total |
| 2013                               | 0.47              | 2.63   | 0.15            | 0.26                | 1.73                | 0.09                   | 0.05                   | 1.05          | 2.48                  | 0.53      | 3.01  |
| 2012                               | 0.43              | 2.63   | 0.15            | 0.26                | 1.67                | 0.08                   | 0.05                   | 0.98          | 2.53                  | 0.79      | 3.32  |
| 2011                               | 0.36              | 2.63   | 0.15            | 0.26                | 1.60                | 0.08                   | 0.05                   | 0.98          | 7.86                  | 0.88      | 8.74  |
| 2010                               | 0.33              | 2.64   | 0.15            | 0.26                | 1.60                | 0.09                   | 0.05                   | 1.00          | 5.30                  | 0.82      | 6.12  |
| 2009                               | 0.00              | 2.68   | 0.16            | 0.26                | 1.66                | 0.08                   | 0.05                   | 1.02          | 3.51                  | 1.65      | 5.16  |
| 2008                               | 0.00              | 2.87   | 0.16            | 0.26                | 1.74                | 0.09                   | 0.05                   | 0.99          | 3.10                  | 1.58      | 4.68  |
| 2007                               | 0.00              | 2.92   | 0.16            | 0.26                | 1.79                | 0.09                   | 0.05                   | 1.05          | 4.94                  | 1.43      | 6.37  |
| 2006                               | 0.00              | 2.94   | 0.16            | 0.26                | 1.79                | 0.09                   | 0.05                   | 1.09          | 5.33                  | 0.83      | 6.16  |
| 2005                               | 0.00              | 2.94   | 0.16            | 0.26                | 1.79                | 0.10                   | 0.05                   | 1.09          | 4.91                  | 1.90      | 6.81  |
| 2004                               | 0.00              | 2.94   | 0.16            | 0.26                | 1.79                | 0.10                   | 0.05                   | 1.09          | 4.93                  | 1.95      | 6.88  |

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

| <b>Taxpayer</b>                    | <b>2013</b>                                 |  |   | <b>2004</b>                                 |  |
|------------------------------------|---|--|---|---|--|
|                                    | <b>Secondary<br/>Assessed<br/>Valuation</b> | <b>Percentage of<br/>District's Net<br/>Assessed<br/>Valuation</b> |   | <b>Secondary<br/>Assessed<br/>Valuation</b> | <b>Percentage of<br/>District's Net<br/>Assessed<br/>Valuation</b> |
| Arizona Public Service Company     | \$ 3,794,587                                | 5.08   | % | \$ 3,587,649                                | 7.08 %   |
| Wal-Mart Stores Inc.               | 2,162,111                                   | 2.90   |   | 957,720                                     | 1.89   |
| Phelps Dodge Corporation           | 797,065                                     | 1.07   |   | 820,903                                     | 1.62   |
| DHD LLC                            | 618,852                                     | 0.83   |   |   |  |
| Qwest Corporation                  | 618,051                                     | 0.83   |   | 1,170,546                                   | 2.31   |
| Southwest Gas Corporation          | 545,329                                     | 0.73   |   | 1,190,816                                   | 2.35   |
| El Paso Natural Gas Corporation    | 537,164                                     | 0.72   |   |   |  |
| Safeway Inc.                       | 518,204                                     | 0.69   |   | 881,710                                     | 1.74   |
| SFP Pool Five Shopping Centers LLC | 465,790                                     | 0.62   |   |   |  |
| BH Properties LLC                  | 440,700                                     | 0.59   |   |   |  |
| General Motors Corporation         |   |  |   | 856,374                                     | 1.69   |
| Newhall Douglas Limited            |   |  |   | 552,336                                     | 1.09   |
| J.C. Penney Stores                 |   |  |   | 506,730                                     | 1.00   |
| Borane Ronald J. & Rona            |   |  |   | 476,326                                     | 0.94   |
| Total                              | <u>\$ 10,497,853</u>                        | <u>14.06</u>   | % | <u>\$ 11,001,110</u>                        | <u>21.71</u> %   |

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

| <b>Fiscal<br/>Year<br/>Ended<br/>June 30</b> | <b>Taxes Levied<br/>for the<br/>Fiscal Year</b> | <b>Collected within the<br/>Fiscal Year of the Levy</b> |                               | <b>Collections in<br/>Subsequent<br/>Fiscal Years</b> | <b>Collected to the End<br/>of the Current Fiscal Year</b> |                               |
|--|---|---|-------------------------------|---|--|-------------------------------|
|  |   | <b>Amount</b>   | <b>Percentage<br/>of Levy</b> |   | <b>Amount</b>  | <b>Percentage<br/>of Levy</b> |
| 2013   | \$ 1,961,938                                    | \$ 1,763,680  | 89.89 %                       | \$  | \$ 1,763,680   | 89.89 %                       |
| 2012   | 2,115,717                                       | 1,903,366   | 89.96                         | 170,968   | 2,074,334  | 98.04                         |
| 2011   | 5,248,055                                       | 4,702,230   | 89.60                         | 466,714   | 5,168,944  | 98.49                         |
| 2010   | 3,640,145                                       | 3,258,319   | 89.51                         | 339,251   | 3,597,570  | 98.83                         |
| 2009   | 3,115,816                                       | 2,795,410   | 89.72                         | 289,678   | 3,085,088  | 99.01                         |
| 2008   | 2,668,469                                       | 2,400,827   | 89.97                         | 251,456   | 2,652,283  | 99.39                         |
| 2007   | 3,326,693                                       | 3,119,942   | 93.79                         | 193,215   | 3,313,157  | 99.59                         |
| 2006   | 2,904,085                                       | 2,647,543   | 91.17                         | 256,542   | 2,904,085  | 100.00                        |
| 2005   | 2,929,609                                       | 2,643,174   | 90.22                         | 286,435   | 2,929,609  | 100.00                        |
| 2004   | 2,879,255                                       | 2,563,528   | 89.03                         | 315,727   | 2,879,255  | 100.00                        |

**Source:** The source of this information is the 2013 Cochise 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.

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

| Fiscal<br>Year<br>Ended<br>June 30 | General Obligation Bonds       |  |              |                           |               |                   | Total Outstanding Debt |                           |               |                    |  |
|------------------------------------|--------------------------------|--|--------------|---------------------------|---------------|-------------------|------------------------|---------------------------|---------------|--------------------|--|
|                                    | General<br>Obligation<br>Bonds | Less:                                  | Total        | Percentage of             | Per<br>Capita | Capital<br>Leases | Total                  | Percentage of             | Per<br>Capita | Percentage of      |  |
|                                    |                                | Amounts<br>Restricted<br>for Principal |              | Estimated<br>Actual Value |               |                   |                        | Estimated<br>Actual Value |               | Personal<br>Income |  |
| 2013                               | \$ 7,095,000                   | \$ 127,451                             | \$ 6,967,549 | 1.01 %                    | \$ 387        | \$ 1,021,599      | \$ 8,116,599           | 1.18 %                    | \$ 451        | N/A %              |  |
| 2012                               | 7,400,000                      | 331,441                                | 7,068,559    | 1.02                      | 393           | 1,112,282         | 8,512,282              | 1.22                      | 473           | 0.18               |  |
| 2011                               | 7,600,000                      | 344,413                                | 7,255,587    | 1.03                      | 403           | 1,189,580         | 8,789,580              | 1.25                      | 488           | 0.19               |  |
| 2010                               | 8,388,000                      | 248,030                                | 8,139,970    | 1.26                      | 452           |                   | 8,388,000              | 1.30                      | 466           | 0.19               |  |
| 2009                               | 1,770,000                      | 396,409                                | 1,373,591    | 0.22                      | 76            |                   | 1,770,000              | 0.28                      | 98            | 0.04               |  |
| 2008                               | 2,770,000                      | 253,787                                | 2,516,213    | 0.44                      | 140           |                   | 2,770,000              | 0.48                      | 154           | 0.07               |  |
| 2007                               | 3,750,000                      | 183,151                                | 3,566,849    | 0.66                      | 210           | 63,842            | 3,813,842              | 0.71                      | 224           | 0.11               |  |
| 2006                               | 4,620,000                      | 349,958                                | 4,270,042    | 0.90                      | 251           | 124,819           | 4,744,819              | 1.00                      | 279           | 0.14               |  |
| 2005                               | 5,485,000                      |  | 5,485,000    | 1.35                      | 323           | 183,060           | 5,668,060              | 1.39                      | 333           | 0.18               |  |
| 2004                               | 6,280,000                      |  | 6,280,000    | 1.59                      | 369           | 238,685           | 6,518,685              | 1.66                      | 383           | 0.23               |  |

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

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



**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**JUNE 30, 2013**

| <u>Governmental Unit</u>               | <u>Debt<br/>Outstanding</u> | <u>Estimated<br/>Percentage<br/>Applicable to<br/>School District</u> | <u>Estimated<br/>Amount<br/>Applicable to<br/>School District</u> |
|--|-----------------------------|---|---|
| Overlapping:                           |                             |   |   |
| Cochise County                         | \$ 4,550,000                | 8.66 %  | \$ 394,030  |
| City of Douglas                        | 13,478,060                  | 100.00  | 13,478,060  |
| Subtotal, Overlapping Debt             |                             |   | <u>13,872,090</u>   |
| Direct:                                |                             |   |   |
| Douglas Unified School District No. 27 |                             |   | <u>8,116,599</u>  |
| Total Direct and Overlapping Debt      |                             |   | <u><u>\$ 21,988,689</u></u>                                       |

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

- Notes:** 1) Estimated percentage of debt outstanding applicable to the District is calculated based on the District's secondary assessed valuation as a percentage of the secondary assessed valuation of the overlapping jurisdiction.
- 2) Outstanding debt as of June 30, 2012 is presented for the overlapping governments as this is the most recent available information.

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**

**Class B Bond Legal Debt Margin Calculation for Fiscal Year 2013:**

|                                    |                          |
|------------------------------------|--------------------------|
| Secondary assessed valuation       | \$ 74,662,563            |
| Debt limit (10% of assessed value) | 7,466,256                |
| Debt applicable to limit           | <u>7,095,000</u>         |
| Legal debt margin                  | <u><u>\$ 371,256</u></u> |

**Total Legal Debt Margin Calculation for Fiscal Year 2013:**

|                                    |                             |
|------------------------------------|-----------------------------|
| Secondary assessed valuation       | \$ 74,662,563               |
| Debt limit (30% of assessed value) | 22,398,769                  |
| Debt applicable to limit           | <u>7,095,000</u>            |
| Legal debt margin                  | <u><u>\$ 15,303,769</u></u> |

|   | <b>Fiscal Year Ended June 30</b> |                             |                             |                             |                             |
|---|----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|   | <b><u>2013</u></b>               | <b><u>2012</u></b>          | <b><u>2011</u></b>          | <b><u>2010</u></b>          | <b><u>2009</u></b>          |
| Debt Limit  | \$ 22,398,769                    | \$ 22,814,357               | \$ 23,459,886               | \$ 29,722,408               | \$ 22,416,857               |
| Total net debt applicable to limit                                      | <u>7,095,000</u>                 | <u>7,400,000</u>            | <u>7,600,000</u>            | <u>8,388,000</u>            | <u>1,770,000</u>            |
| Legal debt margin   | <u><u>\$ 15,303,769</u></u>      | <u><u>\$ 15,414,357</u></u> | <u><u>\$ 15,859,886</u></u> | <u><u>\$ 21,334,408</u></u> | <u><u>\$ 20,646,857</u></u> |
| Total net debt applicable to the limit<br>as a percentage of debt limit | 32%                              | 32%                         | 32%                         | 28%                         | 8%                          |
|   | <b><u>2008</u></b>               | <b><u>2007</u></b>          | <b><u>2006</u></b>          | <b><u>2005</u></b>          | <b><u>2004</u></b>          |
| Debt Limit  | \$ 20,733,998                    | \$ 19,947,810               | \$ 17,278,702               | \$ 15,672,995               | \$ 15,201,902               |
| Total net debt applicable to limit                                      | <u>2,770,000</u>                 | <u>3,750,000</u>            | <u>4,620,000</u>            | <u>5,485,000</u>            | <u>6,280,000</u>            |
| Legal debt margin   | <u><u>\$ 17,963,998</u></u>      | <u><u>\$ 16,197,810</u></u> | <u><u>\$ 12,658,702</u></u> | <u><u>\$ 10,187,995</u></u> | <u><u>\$ 8,921,902</u></u>  |
| Total net debt applicable to the limit<br>as a percentage of debt limit | 13%                              | 19%                         | 27%                         | 35%                         | 41%                         |

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

**Notes:** 1) The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds and the statutory debt limit on Class B bonds. The calculations of the debt margins are presented in detail for the current fiscal year only.

2) Bond premium is not subject to the statutory debt limit.

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN CALENDAR YEARS**

| <b>Year</b> | <b>Population</b> | <b>Personal<br/>Income<br/>(thousands)</b> | <b>Per Capita<br/>Income</b> | <b>Unemployment<br/>Rate</b> | <b>Estimated<br/>District<br/>Population</b> |
|-------------|-------------------|--|------------------------------|------------------------------|--|
| 2012        | 130,752           | \$ N/A                                     | \$ N/A                       | 8.2 %                        | 18,000                                       |
| 2011        | 130,537           | 4,763,499                                  | 35,738                       | 8.8                          | 18,000                                       |
| 2010        | 142,000           | 4,688,309                                  | 35,592                       | 8.0                          | 18,000                                       |
| 2009        | 140,263           | 4,435,021                                  | 34,243                       | 7.4                          | 18,000                                       |
| 2008        | 139,434           | 4,271,255                                  | 33,259                       | 5.6                          | 18,000                                       |
| 2007        | 137,200           | 3,823,812                                  | 29,890                       | 4.0                          | 18,000                                       |
| 2006        | 135,150           | 3,570,455                                  | 28,166                       | 4.4                          | 17,000                                       |
| 2005        | 131,790           | 3,383,842                                  | 26,958                       | 4.8                          | 17,000                                       |
| 2004        | 129,600           | 3,097,128                                  | 25,097                       | 4.9                          | 17,000                                       |
| 2003        | 125,430           | 2,794,617                                  | 23,045                       | 5.6                          | 17,000                                       |

**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 2003 through 2010 is the University of Arizona, Eller College of Management, Economic and Business Research Center. For 2011 and 2012, the source of the information is the Arizona Office of Employment and Population Statistics.

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**PRINCIPAL EMPLOYERS**  
**CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

| Employer                                  | 2013      |                                |   | 2004      |                                |   |
|---|-----------|--------------------------------|---|-----------|--------------------------------|---|
|   | Employees | Percentage of Total Employment |   | Employees | Percentage of Total Employment |   |
| Arizona State Prison Complex              | 648       | 11.28                          | % | 674       | 11.84                          | % |
| Advanced Call Center Technologies, L.L.C. | 537       | 9.35                           |   |           |                                |   |
| Douglas Unified School District           | 516       | 8.98                           |   | 513       | 9.01                           |   |
| Wal-Mart Stores, Inc.                     | 295       | 5.13                           |   | 230       | 4.04                           |   |
| Cochise College                           | 218       | 3.79                           |   | 361       | 6.34                           |   |
| City of Douglas                           | 197       | 3.43                           |   | 235       | 4.13                           |   |
| Chiricahua Community Health Center        | 106       | 1.85                           |   |           |                                |   |
| Southeast Arizona Medical Center          | 77        | 1.34                           |   | 104       | 1.83                           |   |
| Cochise County                            | 64        | 1.11                           |   |           |                                |   |
| Basha’s Inc.                              | 62        | 1.08                           |   | 110       | 1.93                           |   |
| Homeland Security                         |           |                                |   | 596       | 10.47                          |   |
| Safeway                                   |           |                                |   | 110       | 1.93                           |   |
| Gadsden Hotel                             |           |                                |   | 48        | 0.84                           |   |
| Total                                     | 2,720     | 47.34                          | % | 2,981     | 52.36                          | % |
| Total employment                          | 5,745     |                                |   | 5,694     |                                |   |

**Source:** The source of this information is the records of the Cochise College Center for Economic Research.

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE**  
**LAST TEN FISCAL YEARS**

|  | <b>Full-time Equivalent Employees as of June 30</b> |                    |                    |                    |                    |
|--|---|--------------------|--------------------|--------------------|--------------------|
|  | <b><u>2013</u></b>                                  | <b><u>2012</u></b> | <b><u>2011</u></b> | <b><u>2010</u></b> | <b><u>2009</u></b> |
| <b>Supervisory</b>                     |   |                    |                    |                    |                    |
| Superintendent                         | 1   | 1                  |                    |                    |                    |
| Assistant superintendents              | 1   | 1                  |                    |                    |                    |
| Consultants/supervisors of instruction | 1   | 2                  |                    |                    |                    |
| Principals                             | 8   | 8                  | 8                  | 7                  | 8                  |
| Assistant principals                   | 4   | 4                  | 4                  | 4                  | 4                  |
| Total supervisory                      | <u>15</u>   | <u>16</u>          | <u>12</u>          | <u>11</u>          | <u>12</u>          |
| <b>Instruction</b>                     |   |                    |                    |                    |                    |
| Teachers                               | 188   | 180                | 187                | 198                | 203                |
| Other professionals (instructional)    | 16  | 16                 | 16                 | 14                 | 14                 |
| Aides                                  | 115   | 116                | 112                | 96                 | 110                |
| Total instruction                      | <u>319</u>  | <u>312</u>         | <u>315</u>         | <u>308</u>         | <u>327</u>         |
| <b>Student Services</b>                |   |                    |                    |                    |                    |
| Nurses                                 | 4   | 4                  |                    |                    |                    |
| Counselors/Advisors                    | 7   | 7                  |                    |                    |                    |
| Librarians                             | 1   | 1                  | 1                  | 2                  | 2                  |
| Technicians                            | 6   | 6                  | 6                  | 8                  | 9                  |
| Total student services                 | <u>18</u>   | <u>18</u>          | <u>7</u>           | <u>10</u>          | <u>11</u>          |
| <b>Support and Administration</b>      |   |                    |                    |                    |                    |
| Clerical workers                       | 24  | 24                 |                    |                    |                    |
| Maintenance workers                    | 16  | 16                 |                    |                    |                    |
| Bus drivers                            | 7   | 7                  |                    |                    |                    |
| Service workers                        | 4   | 4                  | 34                 | 38                 | 42                 |
| Unskilled laborers                     | 75  | 75                 | 107                | 80                 | 84                 |
| Total support and administration       | <u>126</u>  | <u>126</u>         | <u>141</u>         | <u>118</u>         | <u>126</u>         |
| <b>Total</b>                           | <u><u>478</u></u>                                   | <u><u>472</u></u>  | <u><u>475</u></u>  | <u><u>447</u></u>  | <u><u>476</u></u>  |

(Continued)

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE**  
**LAST TEN FISCAL YEARS**

|  | <u>2008</u>       | <u>2007</u>       | <u>2006</u>       | <u>2005</u>       | <u>2004</u>       |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Supervisory</b>                     |                   |                   |                   |                   |                   |
| Superintendent                         |                   |                   |                   |                   |                   |
| Assistant superintendents              |                   |                   |                   |                   |                   |
| Consultants/supervisors of instruction | 3                 |                   | 5                 | 5                 | 5                 |
| Principals                             | 8                 | 8                 | 8                 | 8                 | 7                 |
| Assistant principals                   | 2                 | 3                 | 3                 | 3                 | 3                 |
| Total supervisory                      | <u>13</u>         | <u>11</u>         | <u>16</u>         | <u>16</u>         | <u>15</u>         |
| <b>Instruction</b>                     |                   |                   |                   |                   |                   |
| Teachers                               | 189               | 206               | 174               | 174               | 176               |
| Other professionals (instructional)    | 14                | 7                 | 8                 | 8                 | 8                 |
| Aides                                  | 118               | 127               | 90                | 90                | 90                |
| Total instruction                      | <u>321</u>        | <u>340</u>        | <u>272</u>        | <u>272</u>        | <u>274</u>        |
| <b>Student Services</b>                |                   |                   |                   |                   |                   |
| Nurses                                 |                   |                   |                   |                   |                   |
| Counselors/Advisors                    |                   |                   |                   |                   |                   |
| Librarians                             | 2                 | 2                 | 2                 | 2                 | 2                 |
| Technicians                            | 8                 | 10                | 6                 | 6                 | 5                 |
| Total student services                 | <u>10</u>         | <u>12</u>         | <u>8</u>          | <u>8</u>          | <u>7</u>          |
| <b>Support and Administration</b>      |                   |                   |                   |                   |                   |
| Clerical workers                       |                   |                   |                   |                   |                   |
| Maintenance workers                    |                   |                   |                   |                   |                   |
| Bus drivers                            |                   |                   |                   |                   |                   |
| Service workers                        | 42                | 39                | 31                | 31                | 31                |
| Unskilled laborers                     | 87                | 80                | 83                | 83                | 83                |
| Total support and administration       | <u>129</u>        | <u>119</u>        | <u>114</u>        | <u>114</u>        | <u>114</u>        |
| <b>Total</b>                           | <u><u>473</u></u> | <u><u>482</u></u> | <u><u>410</u></u> | <u><u>410</u></u> | <u><u>410</u></u> |

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

(Concluded)

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**OPERATING STATISTICS**  
**LAST TEN FISCAL YEARS**

| <b>Fiscal<br/>Year<br/>Ended<br/>June 30</b> | <b>Average<br/>Daily<br/>Membership</b> | <b>Operating<br/>Expenditures</b> | <b>Cost<br/>per<br/>Pupil</b> | <b>Percentage<br/>Change</b> | <b>Expenses</b> | <b>Cost<br/>per<br/>Pupil</b> | <b>Percentage<br/>Change</b> | <b>Teaching<br/>Staff</b> | <b>Pupil-<br/>Teacher<br/>Ratio</b> | <b>Percentage of<br/>Free/Reduced<br/>Students</b> |
|--|---|-----------------------------------|-------------------------------|------------------------------|-----------------|-------------------------------|------------------------------|---------------------------|-------------------------------------|--|
| 2013   | 3,681                                   | \$ 27,301,569                     | \$ 7,417                      | 6.26 %                       | \$ 30,405,438   | \$ 8,260                      | 6.02 %                       | 319                       | 11.5                                | 85.4 %   |
| 2012   | 3,919                                   | 27,353,857                        | 6,980                         | 6.33                         | 30,534,442      | 7,791                         | (6.76)                       | 312                       | 12.6                                | 85.0   |
| 2011   | 3,981                                   | 26,133,188                        | 6,564                         | (12.79)                      | 33,267,431      | 8,357                         | 1.33                         | 315                       | 12.6                                | 85.0   |
| 2010   | 4,009                                   | 30,175,205                        | 7,527                         | 4.69                         | 33,062,674      | 8,247                         | 0.80                         | 308                       | 13.0                                | 86.0   |
| 2009   | 3,921                                   | 28,190,242                        | 7,190                         | 1.60                         | 32,081,850      | 8,182                         | 3.63                         | 327                       | 12.0                                | 83.0   |
| 2008   | 3,973                                   | 28,115,555                        | 7,077                         | 1.74                         | 31,370,003      | 7,896                         | (0.59)                       | 321                       | 12.4                                | 79.0   |
| 2007   | 3,994                                   | 27,781,611                        | 6,956                         | 13.53                        | 31,723,448      | 7,943                         | 15.25                        | 340                       | 11.7                                | 76.0   |
| 2006   | 4,144                                   | 25,389,253                        | 6,127                         | 5.13                         | 28,559,766      | 6,892                         | 3.55                         | 272                       | 15.2                                | 76.0   |
| 2005   | 4,026                                   | 23,461,869                        | 5,828                         | 3.64                         | 26,794,005      | 6,655                         | (3.65)                       | 272                       | 14.8                                | 74.0   |
| 2004   | 3,913                                   | 22,002,051                        | 5,623                         | 2.19                         | 27,029,088      | 6,908                         | 13.10                        | 274                       | 14.3                                | 74.0   |

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

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

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**  
**CAPITAL ASSETS INFORMATION**  
**LAST TEN FISCAL YEARS**

|                              | <b>Fiscal Year Ended June 30</b> |                    |                    |                    |                    |                    |                    |                    |                    |                    |
|------------------------------|----------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                              | <b><u>2013</u></b>               | <b><u>2012</u></b> | <b><u>2011</u></b> | <b><u>2010</u></b> | <b><u>2009</u></b> | <b><u>2008</u></b> | <b><u>2007</u></b> | <b><u>2006</u></b> | <b><u>2005</u></b> | <b><u>2004</u></b> |
| <b><u>Schools</u></b>        |                                  |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>Elementary</b>            |                                  |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Buildings                    | 22                               | 22                 | 22                 | 22                 | 22                 | 22                 | 22                 | 22                 | 22                 | 21                 |
| Square feet                  | 180,233                          | 180,233            | 180,233            | 180,233            | 180,233            | 180,233            | 180,233            | 180,233            | 180,233            | 130,734            |
| Capacity                     | 2,251                            | 2,251              | 2,251              | 2,251              | 2,251              | 2,251              | 2,251              | 2,251              | 2,251              | 1,633              |
| Enrollment                   | 1,616                            | 1,616              | 1,698              | 1,675              | 1,696              | 1,803              | 1,785              | 1,904              | 1,860              | 1,850              |
| <b>Middle</b>                |                                  |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Buildings                    | 14                               | 14                 | 14                 | 14                 | 14                 | 14                 | 14                 | 14                 | 14                 | 14                 |
| Square feet                  | 135,538                          | 135,538            | 135,538            | 135,538            | 135,538            | 135,538            | 135,538            | 135,538            | 135,538            | 135,538            |
| Capacity                     | 1,694                            | 1,694              | 1,694              | 1,694              | 1,694              | 1,694              | 1,694              | 1,694              | 1,694              | 1,694              |
| Enrollment                   | 940                              | 940                | 944                | 919                | 918                | 976                | 988                | 1,041              | 1,037              | 1,014              |
| <b>High</b>                  |                                  |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Buildings                    | 23                               | 23                 | 23                 | 23                 | 23                 | 23                 | 23                 | 23                 | 23                 | 23                 |
| Square feet                  | 157,335                          | 157,335            | 157,335            | 157,335            | 157,335            | 157,335            | 157,335            | 157,335            | 157,335            | 157,335            |
| Capacity                     | 1,967                            | 1,967              | 1,967              | 1,967              | 1,967              | 1,967              | 1,967              | 1,967              | 1,967              | 1,967              |
| Enrollment                   | 1,353                            | 1,353              | 1,324              | 1,269              | 1,145              | 1,217              | 1,241              | 1,379              | 1,271              | 1,210              |
| <b>Other</b>                 |                                  |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Buildings                    | 4                                | 4                  | 4                  | 4                  | 4                  | 4                  | 4                  | 4                  | 4                  | 3                  |
| Square feet                  | 28,561                           | 28,561             | 28,561             | 28,561             | 28,561             | 28,561             | 28,561             | 28,561             | 28,561             | 23,974             |
| Capacity                     | 352                              | 352                | 352                | 352                | 352                | 352                | 357                | 357                | 357                | 293                |
| Enrollment                   | 147                              | 147                | 146                | 146                | 162                | 172                | 191                | 211                | 236                | 242                |
| <b><u>Administrative</u></b> |                                  |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Buildings                    | 3                                | 3                  | 3                  | 3                  | 3                  | 3                  | 3                  | 3                  | 3                  | 3                  |
| Square feet                  | 48,400                           | 48,400             | 48,400             | 48,400             | 48,400             | 48,400             | 48,400             | 48,400             | 48,400             | 48,400             |
| <b><u>Transportation</u></b> |                                  |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Garages                      | 1                                | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  |
| Buses                        | 16                               | 16                 | 17                 | 17                 | 16                 | 16                 | 16                 | 16                 | 16                 | 14                 |
| <b><u>Athletics</u></b>      |                                  |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Football fields              | 1                                | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  |
| Running tracks               | 1                                | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  |
| Baseball/softball            | 7                                | 7                  | 7                  | 7                  | 7                  | 7                  | 7                  | 7                  | 7                  | 7                  |
| Swimming pools               | 1                                | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  |
| Playgrounds                  | 18                               | 18                 | 18                 | 18                 | 18                 | 18                 | 18                 | 18                 | 18                 | 18                 |

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



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