

***TOLLESON ELEMENTARY
SCHOOL DISTRICT NO. 17***

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2010



“Together We Make A Difference”

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17

TOLLESON, ARIZONA

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

Issued by:
Business and Finance Department

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17

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INTRODUCTORY SECTION

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Tolleson Elementary School District No. 17

9261 W. Van Buren • Tolleson, AZ 85353
(623) 936-9740 • FAX (623) 936-9757

The Governing Board

Francisco Cano, III
Nettie Gámez
Adriana Garza
Elizabeth Hunsaker
Belinda Quezada

Superintendent

Bill Christensen

December 21, 2010

Citizens and Governing Board
Tolleson Elementary School District No. 17
9261 West Van Buren Street
Tolleson, Arizona 85353

State law mandates that school districts required to undergo an annual single audit publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States by a certified public accounting firm licensed in the State of Arizona. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Tolleson Elementary School District No. 17 (District) for the fiscal year ended June 30, 2010.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with accounting principles generally accepted in the United States of America. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free of material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by Heinfeld, Meech & Co., P.C., a certified public accounting firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2010, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the District's financial statements for the fiscal year ended June 30, 2010, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditors' report is presented as the first component of the financial section of this report.

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

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

PROFILE OF THE DISTRICT

The District is one of 58 public school districts located in Maricopa County, Arizona. It provides a program of public education from kindergarten through grade 8, with a fiscal year 2009-10 average daily membership of 2,640.

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 and food services.

The Tolleson Elementary School District No. 17 is located 10 miles west of downtown Phoenix. The City of Tolleson, a portion of southwest Phoenix and the northeast section of the City of Avondale are included within the area served by the District. The District encompasses an area of approximately 6.25 square miles.

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. The economy of the cities of Tolleson and Avondale and of Maricopa County, in general, is a mixture of farming, commercial enterprises, light manufacturing and food processing. The largest employers are Sun Land Beef, SYSCO Food Service, Frys/Kroger and Greater Auto Auction. In recent years, the City of Tolleson has been successful in attracting businesses to locate their warehouse facilities in the City due to the freeway, railroad and airline accessibility. This has been and will continue to be a positive contributing factor to the District's potential economic growth for many years to come. However, with the economic downturn, the District's rate of growth in assessed valuation has slowed considerably.

A few of the major firms represented in the Phoenix metropolitan area include Honeywell International, Inc., Banner Health Systems, Wal-Mart Stores, Inc., Wells Fargo Company and Bashas'. In addition, the metropolitan area provides excellent educational and training opportunities through seven community colleges, four private colleges and graduate schools, and one state university.

Maricopa County is located in the south-central portion of Arizona and encompasses an area of approximately 9,226 square miles. Its boundaries encompass the cities of Phoenix, Scottsdale, Mesa, Tempe, Glendale, Chandler, and such towns as Gilbert, Paradise Valley and Fountain Hills. Maricopa County is currently the nation's fourth largest county in terms of population size and the 14th in land area. The County's 2009 population was estimated at just over 4 million and despite the current economic woes is still expected to reach 6 million by 2030. Maricopa County continues to have a very wide range of economic sectors supporting its potential growth and recovery. Maricopa County has, for some time, enjoyed an unemployment rate that was somewhat lower than the national average, however, the current rate of unemployment hovers around 10%.

Service is the largest employment sector in the County, partly fueled by the tourism industry. The County has excellent accommodations, diverse cultural and recreational activities, and a favorable climate attracting millions to the area annually. Wholesale and retail trade is the second largest employment category.

Long-term Financial Planning. In November 2006 the District's voters approved \$24.0 million in general obligation bonds. In September 2008 the building renovation and school expansion project for the Arizona Desert Elementary School began. Other future projects include the issuance and sale of \$4.0 million in School Improvement Bonds and the building renovation and addition of a gymnasium to the Sheely Farms Elementary School as well as the purchase of land. At this time the District's growth has stabilized.

AWARDS AND ACKNOWLEDGMENTS

Awards. The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2009. This was the thirteenth 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, 2009. In order to be awarded these certificates, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

These certificates are valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the programs' requirements and we are submitting it to ASBO and GFOA to determine its eligibility for the fiscal year 2009-10 certificates.

Acknowledgments. The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the 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,



Dr. Lupita Hightower
Interim Superintendent



Daniel O'Brien
Executive Director of Business Services

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2009

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

President

Executive Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Tolleson Elementary School
District No. 17, Arizona

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

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



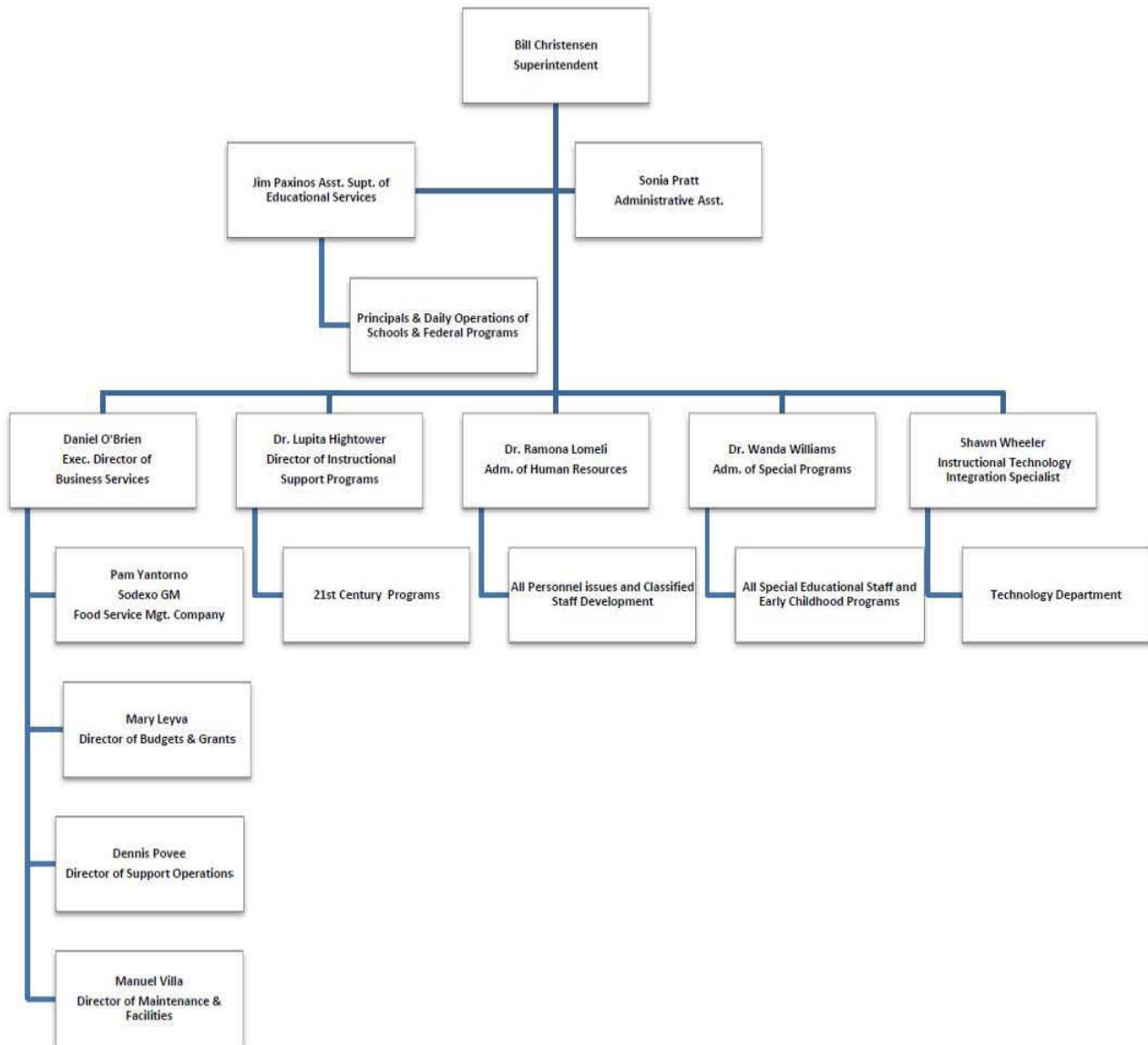
A stylized handwritten signature in black ink, consisting of several loops and a long horizontal stroke.

President

A handwritten signature in black ink that reads "Jeffrey R. Emer".

Executive Director

Tolleson Elementary School District 17
Organizational Chart
Ending June 30, 2010



TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17

LIST OF PRINCIPAL OFFICIALS

(As of June 30, 2010)

GOVERNING BOARD

Adriana Garza
President

Nettie Gámez
Member

Elizabeth Hunsaker
Member

Belinda Quezada
Member

Franciso D. Cano, III
Member

ADMINISTRATIVE STAFF

Bill Christensen
Superintendent

James Paxinos
Assistant Superintendent of Educational Services

Daniel O'Brien
Executive Director of Business Services

Ramona Lomeli, Ed. D.
Administrator of Human Resources

Dr. Lupita Hightower
Director of Instructional Support Programs

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

Governing Board
Tolleson Elementary School District No. 17

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Tolleson Elementary School District No. 17 (District), as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Tolleson Elementary School District No. 17, as of June 30, 2010, 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2010, on our consideration of the Tolleson Elementary School District No. 17's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 13 and budgetary comparison information on pages 48 and 49 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Heinfeld, Meech & Co., P.C.

HEINFELD, MEECH & CO., P.C.
Certified Public Accountants

December 21, 2010

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

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**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

As management of the Tolleson Elementary School District No. 17 (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2010. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

- The District's total net assets of governmental activities increased \$2.7 million which represents a 6 percent increase from prior fiscal year as a result of the addition of two completed building projects at Arizona Desert Elementary School.
- General revenues accounted for \$22.0 million in revenue, or 81 percent of all current fiscal year revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$5.3 million or 19 percent of total current fiscal year revenues.
- The District had approximately \$24.6 million in expenses related to governmental activities, an increase of 7 percent from the prior fiscal year, which was due to increased federal revenue available for spending from American Recovery and Reinvestment Act grants received.
- Among major funds, the General Fund had \$13.2 million in current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$15.7 million in expenditures. The General Fund's fund balance decrease from \$1.8 million at the prior fiscal year end to \$(752,675) at the end of the current fiscal year was primarily due to decreased property tax revenues from a decrease in the tax rate combined with a decrease in state equalization revenue due to declining enrollment.

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.

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

OVERVIEW OF FINANCIAL STATEMENTS (Cont'd)

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

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

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

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing 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.

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

OVERVIEW OF FINANCIAL STATEMENTS (Concl'd)

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

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

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$47.7 million at the current fiscal year end.

By far the largest portion of the District's net assets (75 percent) reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment and construction in progress), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. In addition, a portion of the District's net assets (9 percent) are restricted by statute for the specified purposes of debt service repayment and capital outlay investment.

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

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

	As of June 30, 2010	As of June 30, 2009
Current and other assets	\$ 20,312,949	\$ 13,728,637
Capital assets, net	49,544,070	45,562,280
Total assets, net	<u>69,857,019</u>	<u>59,290,917</u>
Current and other liabilities	2,223,892	1,274,684
Long-term liabilities	19,935,603	13,011,343
Total liabilities	<u>22,159,495</u>	<u>14,286,027</u>
Net assets:		
Invested in capital assets, net of related debt	35,858,240	34,776,373
Restricted	4,310,070	3,817,549
Unrestricted	7,529,214	6,410,968
Total net assets	<u>\$ 47,697,524</u>	<u>\$ 45,004,890</u>

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

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

- The principal retirement of \$2.3 million of school improvement bonds.
- The issuance of \$9.6 million in school improvement bonds.
- The net addition of \$4.9 million in capital assets through school improvements and purchases of vehicles, furniture and equipment.

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

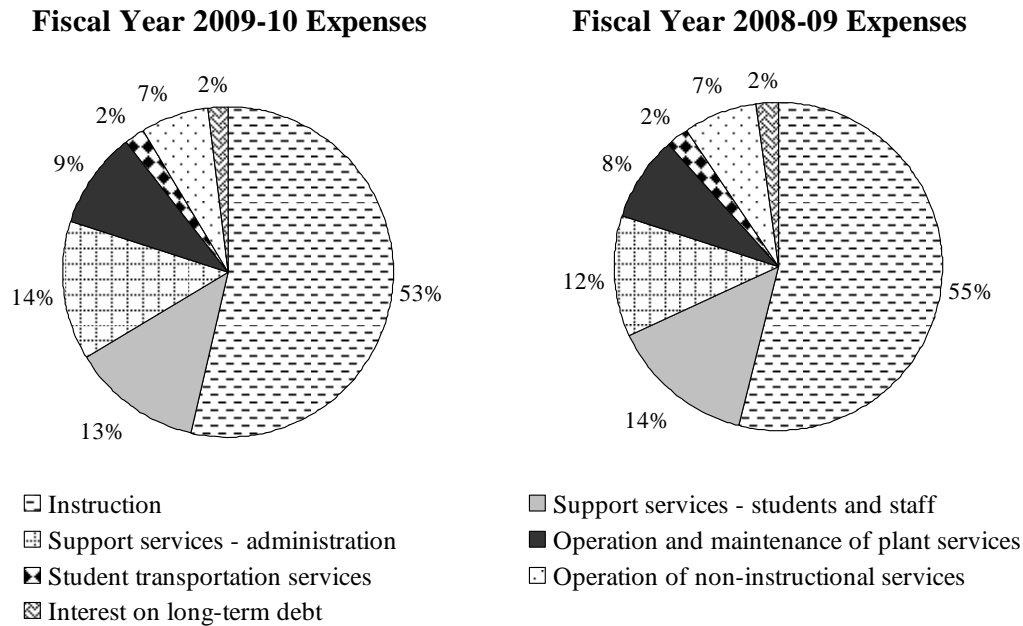
GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

Changes in net assets. The District's total revenues for the current fiscal year were \$27.3 million. The total cost of all programs and services was \$24.6 million. The following table presents a summary of the changes in net assets for the fiscal years ended June 30, 2010 and June 30, 2009.

	<u>Fiscal Year Ended June 30, 2010</u>	<u>Fiscal Year Ended June 30, 2009</u>
Revenues:		
Program revenues:		
Charges for services	\$ 367,376	\$ 633,107
Operating grants and contributions	4,600,256	4,272,316
Capital grants and contributions	322,909	92,129
General revenues:		
Property taxes	10,346,150	8,767,241
Investment income	141,283	379,371
Unrestricted county aid	936,891	
Unrestricted state aid	9,259,126	12,937,561
Unrestricted federal aid	1,365,480	
Total revenues	<u>27,339,471</u>	<u>27,081,725</u>
Expenses:		
Instruction	13,242,347	12,377,468
Support services – students and staff	3,096,019	3,287,085
Support services – administration	3,395,950	2,715,829
Operation and maintenance of plant services	2,318,532	1,918,209
Student transportation services	452,766	554,339
Operation of non-instructional services	1,629,019	1,636,779
Interest on long-term debt	512,204	509,878
Total expenses	<u>24,646,837</u>	<u>22,999,587</u>
Change in net assets	<u>\$ 2,692,634</u>	<u>\$ 4,082,138</u>

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)



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

- Unrestricted state aid revenues decreased by \$3.7 million primarily due to the state budget crisis.
- Property tax revenues increased \$1.6 million due to an increase in the assessed valuation of the District.

The following table presents the cost of the seven major District functional activities: instruction, support services - students and staff, support services - administration, operation and maintenance of plant services, student transportation services, operation of non-instructional services and interest on long-term debt. The table also shows each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and District's taxpayers by each of these functions.

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Concl'd)

	<u>Year Ended June 30, 2010</u>		<u>Year Ended June 30, 2009</u>	
	<u>Total</u> <u>Expenses</u>	<u>Net (Expense)/</u> <u>Revenue</u>	<u>Total</u> <u>Expenses</u>	<u>Net (Expense)/</u> <u>Revenue</u>
Instruction	\$ 13,242,347	\$ (11,057,472)	\$ 12,377,468	\$ (10,314,769)
Support services – students and staff	3,096,019	(2,185,175)	3,287,085	(2,417,348)
Support services – administration	3,395,950	(3,273,422)	2,715,829	(2,655,568)
Operation and maintenance of plant services	2,318,532	(2,083,651)	1,918,209	(1,696,989)
Student transportation services	452,766	(440,957)	554,339	(546,493)
Operation of non-instructional services	1,629,019	196,585	1,636,779	139,010
Interest on long-term debt	512,204	(512,204)	509,878	(509,878)
Total	<u>\$ 24,646,837</u>	<u>\$ (19,356,296)</u>	<u>\$ 22,999,587</u>	<u>\$ (18,002,035)</u>

- The cost of all governmental activities this year was \$24.6 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$5.3 million.
- Net cost of governmental activities of \$19.4 million was financed by general revenues, which are made up of primarily property taxes of \$10.3 million and state aid of \$9.3 million.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

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

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 \$12.4 million, an increase of \$3.1 million due primarily to the issuance of school improvement bonds.

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

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

The General Fund is the principal operating fund of the District. The decrease in fund balance of \$2.5 million in the General Fund to \$(752,675) as of current fiscal year end was a result of less than expected revenues. General Fund revenues decreased \$937,295 as a result of a decrease in state aid. General Fund expenditures increased only \$489,422 or 3 percent. The fund balance of the Bond Building Fund increased \$4.0 million due to the issuance of school improvement bonds.

BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the General Fund annual expenditure budget for changes in student growth. The difference between the original budget and the final amended budget was a \$334,539 increase.

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

- The favorable variance of \$115,377 in special education – support services-students and staff was a result of the District anticipating growth in budget and the positions were not filled.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. As of current fiscal year end, the District had invested \$57.4 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$4.9 million from last year, primarily due to the construction of a new administration building at P.H. Gonzales Elementary School and the Sheely Farms Gym. Total depreciation expense for the year was \$905,082.

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

	<u>As of June 30, 2010</u>	<u>As of June 30, 2009</u>
Capital assets – non-depreciable	\$ 13,114,058	\$ 14,274,039
Capital assets – depreciable, net	36,430,012	31,288,241
Total	<u>\$ 49,544,070</u>	<u>\$ 45,562,280</u>

The estimated cost to complete current construction projects is \$4.0 million.

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

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

CAPITAL ASSETS AND DEBT ADMINISTRATION (Concl'd)

Debt Administration. At year-end, the District had \$19.4 million in long-term debt outstanding, \$5.3 million due within one year. This represents a net increase of \$6.9 million due primarily to the issuance of general obligation bonds.

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 15 percent of the total secondary assessed valuation) and the statutory debt limit on Class B bonds (the greater of 5% of the secondary assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$41.3 million and the Class B debt limit is \$13.8 million, which, combined with available cash balances, are more than the District's total outstanding general obligation and Class B debt, respectively.

Additional information on the District's long-term debt can be found in Notes 6-8.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2010-11 budget. Among them:

- Fiscal year 2009-10 budget balance carry forward (estimated \$490,000).
- District student population (estimated 2,600).

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 9 percent to \$14.8 million in fiscal year 2010-11. The decrease is due to state budget cuts. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2010-11 budget.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business and Finance Department, Tolleson Elementary School District No. 17, 9261 West Van Buren Street, Tolleson, Arizona 85353.

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
STATEMENT OF NET ASSETS
JUNE 30, 2010

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 16,159,103
Property taxes receivable	398,790
Due from governmental entities	3,554,090
Inventory, at cost	200,966
Total current assets	20,312,949
Noncurrent assets:	
Land	7,709,237
Land improvements	2,627,913
Buildings and improvements	38,662,362
Vehicles, furniture and equipment	3,015,754
Construction in progress	5,404,821
Accumulated depreciation	(7,876,017)
Total noncurrent assets	49,544,070
Total assets	69,857,019
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	363,186
Construction contracts payable	1,385,498
Accrued payroll and employee benefits	181,878
Compensated absences payable	175,000
Accrued interest payable	267,986
Unearned revenues	25,344
Obligations under capital leases	14,061
Bonds payable	5,300,000
Total current liabilities	7,712,953
Noncurrent liabilities:	
Non-current portion of long-term obligations	14,446,542
Total non-current liabilities	14,446,542
Total liabilities	22,159,495
<u>NET ASSETS</u>	
Invested in capital assets, net of related debt	35,858,240
Restricted for:	
Debt service	701,280
Capital outlay	3,608,790
Unrestricted	7,529,214
Total net assets	\$ 47,697,524

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

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2010**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
Instruction	\$ 13,242,347	\$ 75,352	\$ 1,786,614	\$ 322,909	\$(11,057,472)
Support services - students and staff	3,096,019	11,576	899,268		(2,185,175)
Support services - administration	3,395,950		122,528		(3,273,422)
Operation and maintenance of plant services	2,318,532	95,095	139,786		(2,083,651)
Student transportation services	452,766		11,809		(440,957)
Operation of non-instructional services	1,629,019	185,353	1,640,251		196,585
Interest on long-term debt	512,204				(512,204)
Total governmental activities	\$ 24,646,837	\$ 367,376	\$ 4,600,256	\$ 322,909	(19,356,296)
General revenues:					
Taxes:					
Property taxes, levied for general purposes					
					3,145,217
Property taxes, levied for debt service					
					5,690,850
Property taxes, levied for capital outlay					
					1,510,083
Investment income					
					141,283
Unrestricted county aid					
					936,891
Unrestricted state aid					
					9,259,126
Unrestricted federal aid					
					1,365,480
Total general revenues					22,048,930
Changes in net assets					2,692,634
Net assets, beginning of year					45,004,890
Net assets, end of year					\$ 47,697,524

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

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FUND FINANCIAL STATEMENTS

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2010

	General Fund	Debt Service Fund	Bond Building Fund
<u>ASSETS</u>			
Cash and investments	\$ 34	\$ 6,116,228	\$ 6,764,904
Property taxes receivable	151,395	153,038	
Due from governmental entities	2,841,855		
Due from other funds			
Inventory, at cost	145,092		
Total assets	\$ 3,138,376	\$ 6,269,266	\$ 6,764,904
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 132,374	\$	\$
Construction contracts payable			1,067,543
Due to other funds	3,499,872		
Accrued payroll and employee benefits	119,442		
Deferred revenues	139,363	131,527	
Bonds payable		5,300,000	
Bond interest payable		267,986	
Total liabilities	3,891,051	5,699,513	1,067,543
Fund balances (deficits):			
Reserved for inventory	145,092		
Unreserved:			
Undesignated	(897,767)	569,753	5,697,361
Unreserved reported in:			
Special revenue funds			
Capital projects funds			
Total fund balances	(752,675)	569,753	5,697,361
Total liabilities and fund balances	\$ 3,138,376	\$ 6,269,266	\$ 6,764,904

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 3,277,937	\$ 16,159,103
94,357	398,790
712,235	3,554,090
3,581,788	3,581,788
55,874	200,966
<u>\$ 7,722,191</u>	<u>\$ 23,894,737</u>

\$ 230,812	\$ 363,186
317,955	1,385,498
81,916	3,581,788
62,436	181,878
114,015	384,905
	5,300,000
	267,986
<u>807,134</u>	<u>11,465,241</u>

55,874	200,966
	5,369,347
3,339,064	3,339,064
3,520,119	3,520,119
<u>6,915,057</u>	<u>12,429,496</u>
<u>\$ 7,722,191</u>	<u>\$ 23,894,737</u>

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**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2010**

Total governmental fund balances **\$ 12,429,496**

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

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

Governmental capital assets	\$ 57,420,087	
Less accumulated depreciation	<u>(7,876,017)</u>	49,544,070

Property tax revenues will not be available to pay for current period expenditures and, therefore, are deferred in the funds.		359,561
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Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Compensated absences payable	(552,412)	
Capital lease obligations	(28,191)	
Bonds payable	<u>(14,055,000)</u>	<u>(14,635,603)</u>

Net assets of governmental activities **\$ 47,697,524**

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2010

	General Fund	Debt Service Fund	Bond Building Fund
Revenues:			
Other local	\$ 870,189	\$ 39,204	\$ 31,828
Property taxes	3,173,812	5,615,188	
State aid and grants	7,785,670		
Federal aid, grants and reimbursements	1,365,480		
Total revenues	13,195,151	5,654,392	31,828
Expenditures:			
Current -			
Instruction	9,029,540		
Support services - students and staff	1,893,784		
Support services - administration	2,688,929		
Operation and maintenance of plant services	1,696,268		
Student transportation services	407,287		
Operation of non-instructional services			
Capital outlay			5,523,170
Debt service -			
Interest and fiscal charges		519,253	
Principal retirement		5,300,000	
Bond issuance costs			191,640
Total expenditures	15,715,808	5,819,253	5,714,810
Excess (deficiency) of revenues over expenditures	(2,520,657)	(164,861)	(5,682,982)
Other financing sources (uses):			
Transfer in		112,502	
Transfer out			(112,502)
General obligation bonds issued			9,600,000
Premium on sale of bonds			220,763
Capital lease agreements			
Total other financing sources (uses)		112,502	9,708,261
Changes in fund balances	(2,520,657)	(52,359)	4,025,279
Fund balances, beginning of year	1,778,843	622,112	1,672,082
Increase (decrease) in reserve for inventory	(10,861)		
Fund balances (deficits), end of year	\$ (752,675)	\$ 569,753	\$ 5,697,361

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 706,076	\$ 1,647,297
1,518,157	10,307,157
1,705,102	9,490,772
<u>5,037,619</u>	<u>6,403,099</u>
<u>8,966,954</u>	<u>27,848,325</u>
2,332,907	11,362,447
879,496	2,773,280
128,888	2,817,817
130,907	1,827,175
11,956	419,243
1,612,144	1,612,144
1,797,856	7,321,026
22,074	541,327
432,190	5,732,190
	<u>191,640</u>
<u>7,348,418</u>	<u>34,598,289</u>
<u>1,618,536</u>	<u>(6,749,964)</u>
307,920	420,422
(307,920)	(420,422)
	9,600,000
	220,763
<u>42,392</u>	<u>42,392</u>
<u>42,392</u>	<u>9,863,155</u>
<u>1,660,928</u>	<u>3,113,191</u>
5,227,501	9,300,538
26,628	15,767
<u>\$ 6,915,057</u>	<u>\$ 12,429,496</u>

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2010**

Net changes in fund balances - total governmental funds **\$ 3,128,958**

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	\$ 4,886,872	
Less current year depreciation	<u>(905,082)</u>	3,981,790

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

Property taxes	38,993	
Intergovernmental	(504,416)	
Microsoft settlement	<u>(43,431)</u>	(508,854)

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Activities (9,600,000)

Capital lease proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. (42,392)

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

Bond principal retirement	5,300,000	
Capital lease principal retirement	<u>432,190</u>	5,732,190

Compensated absences 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. 942

Change in net assets in governmental activities **\$ 2,692,634**

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2010

	<u>Agency</u>
<u>ASSETS</u>	
Cash and investments	\$ 1,250,313
Total assets	<u>\$ 1,250,313</u>
<u>LIABILITIES</u>	
Deposits held for others	1,230,500
Due to student groups	<u>19,813</u>
Total liabilities	<u>\$ 1,250,313</u>

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Tolleson Elementary School District No. 17 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

A. Reporting Entity

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

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

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

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) present financial information about the District as a whole. The reported information includes all of the nonfiduciary activities of the District. 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 State, County and Federal 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.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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

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

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

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

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

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

The District reports the following major governmental funds:

General Fund – The General Fund is the District's primary operating fund. It accounts for all resources used to finance District maintenance and operation except those required to be accounted for in other funds. It is described as the Maintenance and Operation Fund by A.R.S.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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

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

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

Additionally, the District reports the following fund type:

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

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

D. Cash and Investments

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

All investments are stated at fair value.

E. Investment Income

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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

F. Receivables and Payables

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

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

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.

G. Inventory

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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

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

H. Prepaid Items

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

Prepaid items at year end were immaterial and therefore not included on the fund or government-wide financial statements.

I. Capital Assets

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

Capital assets are defined by the District as assets with an initial, individual cost in excess of \$5,000 and an estimated useful life of more than one year. 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	10 – 50 years
Buildings and improvements	5 – 100 years
Vehicles, furniture and equipment	5 – 25 years

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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

J. Compensated Absences

The District's employee vacation and sick leave policies generally provide for granting vacation and sick leave with pay. Each full-time certificated employee shall be credited with five days of sick leave on the first contract day. The remaining sick leave allowance shall be earned at the rate of one day per month up to 11 or 12 days, determined by the number of months employed. In the event of termination, an employee is reimbursed for accrued sick leave at varying rates depending on years of service and position. Twelve-month administrators shall receive twenty days of vacation exclusive of legal holidays during the term of contract. Administrators will accumulate unused vacation days, which shall rollover into the following fiscal year, not to exceed a total of eighty days. Upon separation of employment from the District, compensation for unused accumulated vacation leave shall be limited to forty days. The current and long-term liabilities, including related benefits, for accumulated vacation and sick leave are reported on the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee leave, resignations and retirements. Generally, resources from the General Fund are used to pay for compensated absences.

K. Long-term Obligations

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

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

L. Fund Equity

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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

M. Interfund Activity

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

N. Estimates

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

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Individual Deficit Fund Balance – At year end, the General Fund had a deficit fund balance of \$752,675. The deficit arose because of operations during the year. Additional revenues received in fiscal year 2010-11 are expected 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.

NOTE 3 – CASH AND INVESTMENTS

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

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure the District's deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District's deposits was \$1,250,347 and the bank balance was \$1,238,893. Of the bank balance, \$250,000 was covered by Federal depository insurance and \$988,893 was guaranteed under the transaction account guarantee component of the Temporary Liquidity Guarantee Program.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 3 – CASH AND INVESTMENTS (Concl'd)

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

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

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer's investment pool	606 days	\$ 16,159,069
Total		<u>\$ 16,159,069</u>

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

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

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

NOTE 4 – RECEIVABLES

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 4 – RECEIVABLES (Concl'd)

	General Fund	Non-Major Governmental Funds
Due from other governmental entities:		
Due from Federal government	\$	\$ 200,605
Due from State government	2,841,855	511,630
Net due from governmental entities	\$ 2,841,885	\$ 712,235

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.

	Unavailable	Unearned
Delinquent property taxes receivable (General Fund)	\$ 139,363	\$
Delinquent property taxes receivable (Debt Service Fund)	131,527	
Delinquent property taxes receivable (Non-Major Governmental Funds)	88,671	
Grant drawdowns prior to meeting all eligibility requirements (Non-Major Governmental Funds)		25,344
Total deferred revenue for governmental funds	\$ 359,561	\$ 25,344

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 5 – CAPITAL ASSETS

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

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 7,709,237	\$	\$	\$ 7,709,237
Construction in progress	6,564,802	5,467,432	6,627,413	5,404,821
Total capital assets, not being depreciated	<u>14,274,039</u>	<u>5,467,432</u>	<u>6,627,413</u>	<u>13,114,058</u>
Capital assets, being depreciated:				
Land improvements	2,627,913			2,627,913
Buildings and improvements	32,764,914	5,897,448		38,662,362
Vehicles, furniture and equipment	2,866,349	149,405		3,015,754
Total capital assets being depreciated	<u>38,259,176</u>	<u>6,046,853</u>		<u>44,306,029</u>
Less accumulated depreciation for:				
Land improvements	(723,430)	(75,401)		(798,831)
Buildings and improvements	(5,431,662)	(588,530)		(6,020,192)
Vehicles, furniture and equipment	(815,843)	(241,151)		(1,056,994)
Total accumulated depreciation	<u>(6,970,935)</u>	<u>(905,082)</u>		<u>(7,876,017)</u>
Total capital assets, being depreciated, net	<u>31,288,241</u>	<u>5,141,771</u>		<u>36,430,012</u>
Governmental activities capital assets, net	<u>\$ 45,562,280</u>	<u>\$ 10,609,203</u>	<u>\$ 6,627,413</u>	<u>\$ 49,544,070</u>

Depreciation expense was charged to governmental functions as follows.

Instruction	\$ 632,691
Support services – students and staff	4,034
Support services – administration	150,863
Operation and maintenance of plant services	26,003
Student transportation services	66,224
Operation of non-instructional services	25,267
Total depreciation expense – governmental activities	<u>\$ 905,082</u>

Construction Commitments – At year end, the District had contractual commitments related to various capital projects for the construction of Sheely Farms, PHG Administration Building and Arizona Desert classrooms. At year end the District had spent \$5.4 million on the projects and had estimated remaining contractual commitments of \$4.0 million. These projects are being funded with bond proceeds.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 6 – OBLIGATIONS UNDER CAPITAL LEASES

The District has acquired furniture, an environmental control system, software, and computers under the provisions of long-term lease agreements classified as capital leases. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. Revenues from the Title IV Grants and Soft Capital Allocation Funds, both non-major governmental funds, are used to pay the capital lease obligations.

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

	Governmental Activities
Asset:	
Building improvements	\$ 180,596
Vehicles, furniture and equipment	297,197
Less: Accumulated depreciation	104,498
Total	\$ 373,295

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

	Governmental Activities
Year Ending June 30:	
2011	\$ 15,824
2012	14,130
Total minimum lease payments	29,954
Less: amount representing interest	1,763
Present value of minimum lease payments	\$ 28,191
Due within one year	\$ 14,061

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 7 – GENERAL OBLIGATION BONDS PAYABLE

Bonds payable at year end, consisted of the following outstanding general obligation and refunding bonds. Of the total amount originally authorized, \$3.0 million remains unissued. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt.

Purpose	Original Amount Issued	Interest Rates	Maturity	Outstanding Principal June 30, 2010	Due Within One Year
Governmental activities:					
School Improvement Bonds					
Project of 2000, Series A (2001)	\$ 1,500,000	4.25-4.3%	7/1/10-11	\$ 1,025,000	\$ 500,000
School Improvement Bonds,					
Project of 2000, Series B (2002)	1,500,000	3.25-4.5%	7/1/10-11	1,025,000	500,000
School Improvement Bonds					
Project of 2006, Series A (2007)	4,545,000	4.00-4.50%	7/1/13-22	3,995,000	
School Improvement Bonds					
Project of 2006, Series B (2008)	5,045,000	4.00-5.00%	7/1/10-28	3,710,000	300,000
School Improvement Bonds,					
Project of 2006, Series C (2009)	4,000,000	3.00%	7/1/10	4,000,000	4,000,000
School Improvement Bonds,					
Project of 2006, Series D-1 (2010)	3,725,000	3.00%	7/1/11-13	3,725,000	
School Improvement Bonds,					
Project of 2006, Series D-2 (2010)	1,875,000	3.00%	7/1/12-13	1,875,000	
Total				<u>\$ 19,355,000</u>	<u>\$ 5,300,000</u>

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

Year ending June 30:	Governmental Activities	
	Principal	Interest
2011	\$ 5,300,000	\$ 490,553
2012	4,775,000	522,103
2013	1,110,000	376,519
2014	1,095,000	335,794
2015	945,000	285,657
2016-20	3,085,000	970,720
2021-25	2,215,000	382,367
2026-29	830,000	78,626
Total	<u>\$ 19,355,000</u>	<u>\$ 3,442,339</u>

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 8 – CHANGES IN LONG-TERM LIABILITIES

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable	\$12,040,000	\$ 9,600,000	\$ 2,285,000	\$ 19,355,000	\$ 5,300,000
Obligations under capital leases	417,989	42,392	432,190	28,191	14,061
Compensated absences payable	553,354	345,166	346,108	552,412	175,000
Governmental activity long-term liabilities	<u>\$13,011,343</u>	<u>\$ 9,987,558</u>	<u>\$ 3,063,298</u>	<u>\$ 19,935,603</u>	<u>\$ 5,489,061</u>

NOTE 9 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At year end, interfund balances were as follows.

Due to/from other funds:

Due from	Due to		
	General Fund	Non-Major Governmental Funds	Total
Non-Major Governmental Funds	\$ 3,499,872	\$ 81,916	\$ 3,581,788
Total	<u>\$ 3,499,872</u>	<u>\$ 81,916</u>	<u>\$ 3,581,788</u>

At year end, several funds had negative cash balances in the Treasurer's pooled cash accounts. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with other funds. All interfund balances are expected to be paid within one year.

Interfund transfers:

Transfers out	Transfers in		
	Debt Service Fund	Non-Major Governmental Funds	Total
Bond Building Fund	\$ 112,502	\$	\$ 112,502
Non-Major Governmental Funds		307,920	307,920
Total	<u>\$ 112,502</u>	<u>\$ 307,920</u>	<u>\$ 420,422</u>

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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

Transfers between funds were used to (1) move investment income earned in the Bond Building Fund, that is required by statute to be expended in the Debt Service Fund and (2) to move Federal grant funds restricted for indirect costs to the Indirect Costs Fund, a non-major governmental fund.

NOTE 10 – CONTINGENT LIABILITIES

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

NOTE 11 – RISK MANAGEMENT

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

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

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 11 – RISK MANAGEMENT (Concl'd)

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

NOTE 12 – RETIREMENT PLAN

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

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

Funding Policy – The Arizona State Legislature establishes and may amend active plan members' and the District's contribution rates. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 9.40 percent (9.00 percent for retirement and 0.4 percent for long-term disability) of the members' annual covered payroll and the District was required by statute to contribute at the actuarially determined rate of 9.40 percent (8.34 percent for retirement, 0.66 percent for health insurance premium, and 0.4 percent for long-term disability) of the members' annual covered payroll.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 12 – RETIREMENT PLAN (Concl'd)

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

Years ended June 30,	<u>Retirement Fund</u>	<u>Health Benefit Supplement Fund</u>	<u>Long-Term Disability Fund</u>
2010	\$ 977,532	\$ 77,359	\$ 46,884
2009	951,256	114,294	59,528
2008	922,766	120,361	57,315

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other local	\$ 765,000	\$ 765,000	\$ 870,189	\$ 105,189
Property taxes	5,689,567	5,689,567	3,173,812	(2,515,755)
State aid and grants	7,286,170	7,286,170	7,785,670	499,500
Federal aid, grants and reimbursements			1,365,480	1,365,480
Total revenues	<u>13,740,737</u>	<u>13,740,737</u>	<u>13,195,151</u>	<u>(545,586)</u>
Expenditures:				
Regular education				
Instruction	5,538,294	6,655,882	6,141,460	514,422
Support services - students and staff	1,291,258	1,279,139	1,258,554	20,585
Support services - administration	2,681,177	2,617,189	2,688,929	(71,740)
Operation and maintenance of plant services	2,262,744	1,692,951	1,697,933	(4,982)
Operation of non-instructional services	35,000	35,000		35,000
Total regular education	<u>11,808,473</u>	<u>12,280,161</u>	<u>11,786,876</u>	<u>493,285</u>
Special education				
Instruction	2,113,935	2,112,166	2,167,861	(55,695)
Support services - students and staff	854,249	750,607	635,230	115,377
Total special education	<u>2,968,184</u>	<u>2,862,773</u>	<u>2,803,091</u>	<u>59,682</u>
Pupil transportation				
Student transportation services	494,014	449,080	407,834	41,246
Total pupil transportation	<u>494,014</u>	<u>449,080</u>	<u>407,834</u>	<u>41,246</u>
Special K-3 program override				
Instruction	650,521	663,717	674,869	(11,152)
Total special K-3 program override	<u>650,521</u>	<u>663,717</u>	<u>674,869</u>	<u>(11,152)</u>
Total expenditures	<u>15,921,192</u>	<u>16,255,731</u>	<u>15,672,670</u>	<u>583,061</u>
Change in fund balances	<u>(2,180,455)</u>	<u>(2,514,994)</u>	<u>(2,477,519)</u>	<u>37,475</u>
Fund balances, July 1, 2009	523,263	523,263	707,743	184,480
(Decrease) in reserve for inventory			(10,861)	(10,861)
Increase in reserve for prepaid items			1,027,962	1,027,962
Fund balances (deficits), June 30, 2010	<u>\$ (1,657,192)</u>	<u>\$ (1,991,731)</u>	<u>\$ (752,675)</u>	<u>\$ 1,239,056</u>

See accompanying notes to this schedule.

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

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Original & Final	Actual	
Revenues:			
Other local	\$ 80,000	\$ 39,204	\$ (40,796)
Property taxes	5,500,000	5,615,188	115,188
Total revenues	5,580,000	5,654,392	74,392
Expenditures:			
Debt service -			
Interest and fiscal charges	1,715,000	519,253	1,195,747
Principal retirement	2,285,000	5,300,000	(3,015,000)
Total expenditures	4,000,000	5,819,253	(1,819,253)
Excess (deficiency) of revenues over expenditures	1,580,000	(164,861)	(1,744,861)
Other financing sources (uses):			
Transfer in		112,502	112,502
Total other financing sources (uses)		112,502	112,502
Change in fund balances	1,580,000	(52,359)	(1,632,359)
Fund balances, July 1, 2009	3,140,474	622,112	(2,518,362)
Fund balances, June 30, 2010	\$ 4,720,474	\$ 569,753	\$ (4,150,721)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - BOND BUILDING FUND
YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other local	\$	\$	\$ 31,828	\$ 31,828
Total revenues			31,828	31,828
Expenditures:				
Capital outlay	3,500,000	6,013,591	5,523,170	490,421
Debt service - Bond issuance costs			191,640	(191,640)
Total expenditures	3,500,000	6,013,591	5,714,810	298,781
Excess (deficiency) of revenues over expenditures	(3,500,000)	(6,013,591)	(5,682,982)	330,609
Other financing sources (uses):				
Transfer out			(112,502)	(112,502)
General obligation bonds issued	5,045,000	5,045,000	9,600,000	4,555,000
Premium on sale of bonds			220,763	220,763
Total other financing sources (uses)	5,045,000	5,045,000	9,708,261	4,663,261
Change in fund balances	1,545,000	(968,591)	4,025,279	4,993,870
Fund balances, July 1, 2009	2,899,795	2,899,795	1,672,082	(1,227,713)
Fund balances, June 30, 2010	\$ 4,444,795	\$ 1,931,204	\$ 5,697,361	\$ 3,766,157

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NON-MAJOR GOVERNMENTAL FUNDS

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2010

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<u>ASSETS</u>			
Cash and investments	\$ 3,266,533	\$ 11,404	\$ 3,277,937
Property taxes receivable		94,357	94,357
Due from governmental entities	452,581	259,654	712,235
Due from other funds		3,581,788	3,581,788
Inventory, at cost	55,874		55,874
Total assets	<u>\$ 3,774,988</u>	<u>\$ 3,947,203</u>	<u>\$ 7,722,191</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 210,354	\$ 20,458	\$ 230,812
Construction contracts payable		317,955	317,955
Due to other funds	81,916		81,916
Accrued payroll and employee benefits	62,436		62,436
Deferred revenues	25,344	88,671	114,015
Total liabilities	<u>380,050</u>	<u>427,084</u>	<u>807,134</u>
Fund balances:			
Reserved for inventory	55,874		55,874
Unreserved:			
Undesignated	3,339,064	3,520,119	6,859,183
Total fund balances	<u>3,394,938</u>	<u>3,520,119</u>	<u>6,915,057</u>
Total liabilities and fund balances	<u>\$ 3,774,988</u>	<u>\$ 3,947,203</u>	<u>\$ 7,722,191</u>

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
YEAR ENDED JUNE 30, 2010

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:			
Other local	\$ 552,551	\$ 153,525	\$ 706,076
Property taxes		1,518,157	1,518,157
State aid and grants	983,278	721,824	1,705,102
Federal aid, grants and reimbursements	<u>5,037,619</u>		<u>5,037,619</u>
Total revenues	<u>6,573,448</u>	<u>2,393,506</u>	<u>8,966,954</u>
Expenditures:			
Current -			
Instruction	2,332,907		2,332,907
Support services - students and staff	879,496		879,496
Support services - administration	128,888		128,888
Operation and maintenance of plant services	130,907		130,907
Student transportation services	11,956		11,956
Operation of non-instructional services	1,612,144		1,612,144
Capital outlay	188,102	1,609,754	1,797,856
Debt service -			
Interest and fiscal charges	5,372	16,702	22,074
Principal retirement	<u>100,040</u>	<u>332,150</u>	<u>432,190</u>
Total expenditures	<u>5,389,812</u>	<u>1,958,606</u>	<u>7,348,418</u>
Excess (deficiency) of revenues over expenditures	<u>1,183,636</u>	<u>434,900</u>	<u>1,618,536</u>
Other financing sources (uses):			
Transfer in	307,920		307,920
Transfer out	(307,920)		(307,920)
Capital lease agreements		42,392	42,392
Total other financing sources (uses)		<u>42,392</u>	<u>42,392</u>
Change in fund balances	<u>1,183,636</u>	<u>477,292</u>	<u>1,660,928</u>
Fund balances, beginning of year	2,184,674	3,042,827	5,227,501
Increase in reserve for inventory	26,628		26,628
Fund balances, end of year	<u>\$ 3,394,938</u>	<u>\$ 3,520,119</u>	<u>\$ 6,915,057</u>

NON-MAJOR SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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.

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2010

	Classroom Site	Instructional Improvement	County, City, and Town Grants	Title I Grants
<u>ASSETS</u>				
Cash and investments	\$ 641,365	\$ 261,079	\$ 4	\$ 6,492
Due from governmental entities	159,618	27,427		20,800
Inventory, at cost				
Total assets	\$ 800,983	\$ 288,506	\$ 4	\$ 27,292
 <u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$	\$	\$	\$ 14,170
Due to other funds				
Accrued payroll and employee benefits				13,122
Deferred revenues				
Total liabilities				27,292
Fund balances:				
Reserved for inventory				
Unreserved:				
Undesignated	800,983	288,506	4	
Total fund balances	800,983	288,506	4	
Total liabilities and fund balances	\$ 800,983	\$ 288,506	\$ 4	\$ 27,292

Professional Development and Technology Grants	Title IV Grants	Limited English and Immigrant Students	Special Education Grants	Medicaid Reimbursement	Other Federal Projects Fund
\$ 104,989	\$ 49,972	\$ 30,849	\$ 6,243	\$ 59,704	\$ 846,073
<u>\$ 104,989</u>	<u>\$ 49,972</u>	<u>\$ 30,849</u>	<u>\$ 6,243</u>	<u>\$ 59,704</u>	<u>\$ 846,073</u>
\$ 84,632 14,301 6,056	\$ 1,479 32,151 16,342	\$ 10,008 12,641 8,200	\$ 400 3,260 2,583	\$ 2,228	\$ 20,097
<u>104,989</u>	<u>49,972</u>	<u>30,849</u>	<u>6,243</u>	<u>2,228</u>	<u>20,097</u>
				57,476	825,976
				57,476	825,976
<u>\$ 104,989</u>	<u>\$ 49,972</u>	<u>\$ 30,849</u>	<u>\$ 6,243</u>	<u>\$ 59,704</u>	<u>\$ 846,073</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2010
(Continued)

	Early Childhood Block Grant	Chemical Abuse Prevention Programs	Gifted	Other State Projects
<u>ASSETS</u>				
Cash and investments	\$ 23,521	\$ 508	\$ 4,720	\$
Due from governmental entities				64,931
Inventory, at cost				
Total assets	\$ 23,521	\$ 508	\$ 4,720	\$ 64,931
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 9,427	\$	\$ 2,178	\$ 32,727
Due to other funds				32,204
Accrued payroll and employee benefits				
Deferred revenues	14,094	508	2,542	
Total liabilities	23,521	508	4,720	64,931
Fund balances:				
Reserved for inventory				
Unreserved:				
Undesignated				
Total fund balances				
Total liabilities and fund balances	\$ 23,521	\$ 508	\$ 4,720	\$ 64,931

<u>School Plant</u>	<u>Food Service</u>	<u>Civic Center</u>	<u>Community School</u>	<u>Auxiliary Operations</u>	<u>Extracurricular Activities Fees Tax Credit</u>
\$ 109,796	\$ 180,049	\$ 165,582	\$ 46,665	\$ 6,333	\$ 34,426
	18,601				
	55,874				
<u>\$ 109,796</u>	<u>\$ 254,524</u>	<u>\$ 165,582</u>	<u>\$ 46,665</u>	<u>\$ 6,333</u>	<u>\$ 34,426</u>
\$	\$ 21,086	\$	\$ 333	\$	\$
	2,412				
	<u>23,498</u>		<u>333</u>		
	55,874				
<u>109,796</u>	<u>175,152</u>	<u>165,582</u>	<u>46,332</u>	<u>6,333</u>	<u>34,426</u>
<u>109,796</u>	<u>231,026</u>	<u>165,582</u>	<u>46,332</u>	<u>6,333</u>	<u>34,426</u>
<u>\$ 109,796</u>	<u>\$ 254,524</u>	<u>\$ 165,582</u>	<u>\$ 46,665</u>	<u>\$ 6,333</u>	<u>\$ 34,426</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2010
(Concluded)

	Gifts and Donations	Fingerprint	Insurance Proceeds	Textbooks
<u>ASSETS</u>				
Cash and investments	\$ 63,285	\$ 2,263	\$ 66,272	\$ 15,487
Due from governmental entities				
Inventory, at cost				
Total assets	\$ 63,285	\$ 2,263	\$ 66,272	\$ 15,487
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$	\$	\$	\$
Due to other funds				
Accrued payroll and employee benefits				
Deferred revenues				
Total liabilities				
Fund balances:				
Reserved for inventory				
Unreserved:				
Undesignated	63,285	2,263	66,272	15,487
Total fund balances	63,285	2,263	66,272	15,487
Total liabilities and fund balances	\$ 63,285	\$ 2,263	\$ 66,272	\$ 15,487

<u>Litigation Recovery</u>	<u>Indirect Costs</u>	<u>Insurance Refund</u>	<u>Grants and Gifts to Teachers</u>	<u>Intergovernmental Agreements</u>	<u>Totals</u>
\$ 50,356	\$ 507,647	\$ 24,557	\$ 6,852	\$ 112,648	\$ 3,266,533
					452,581
					55,874
<u>\$ 50,356</u>	<u>\$ 507,647</u>	<u>\$ 24,557</u>	<u>\$ 6,852</u>	<u>\$ 112,648</u>	<u>\$ 3,774,988</u>
\$	\$ 13,817	\$	\$	\$	\$ 210,354
	7,052				81,916
					62,436
					25,344
	<u>20,869</u>				<u>380,050</u>
					55,874
<u>50,356</u>	<u>486,778</u>	<u>24,557</u>	<u>6,852</u>	<u>112,648</u>	<u>3,339,064</u>
<u>50,356</u>	<u>486,778</u>	<u>24,557</u>	<u>6,852</u>	<u>112,648</u>	<u>3,394,938</u>
<u>\$ 50,356</u>	<u>\$ 507,647</u>	<u>\$ 24,557</u>	<u>\$ 6,852</u>	<u>\$ 112,648</u>	<u>\$ 3,774,988</u>

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010

	Classroom Site	Instructional Improvement	County, City, and Town Grants
Revenues:			
Other local	\$ 5,496	\$ 2,359	\$ 4,003
State aid and grants	653,397	98,235	
Federal aid, grants and reimbursements			
Total revenues	658,893	100,594	4,003
Expenditures:			
Current -			
Instruction	506,414	153,422	
Support services - students and staff	7,284	1,759	3,999
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	513,698	155,181	3,999
Excess (deficiency) of revenues over expenditures	145,195	(54,587)	4
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	145,195	(54,587)	4
Fund balances, beginning of year	655,788	343,093	
Increase in reserve for inventory			
Fund balances, end of year	\$ 800,983	\$ 288,506	\$ 4

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English and Immigrant Students</u>	<u>Special Education Grants</u>	<u>Medicaid Reimbursement</u>
\$	\$	\$	\$	\$	\$ 4,771
1,053,782	329,641	498,700	133,481	674,251	55,400
<u>1,053,782</u>	<u>329,641</u>	<u>498,700</u>	<u>133,481</u>	<u>674,251</u>	<u>60,171</u>
632,660	38,841	250,088	127,598	455,134	888
372,343	163,147	54,000	2,584	187,597	62,605
	9,325	57,359		864	1,767
		9,800		1,032	
	106,919			10,032	6,617
		5,372			
		<u>100,040</u>			
<u>1,005,003</u>	<u>318,232</u>	<u>476,659</u>	<u>130,182</u>	<u>654,659</u>	<u>71,877</u>
<u>48,779</u>	<u>11,409</u>	<u>22,041</u>	<u>3,299</u>	<u>19,592</u>	<u>(11,706)</u>
<u>(48,779)</u>	<u>(11,409)</u>	<u>(22,041)</u>	<u>(3,299)</u>	<u>(19,592)</u>	
<u>(48,779)</u>	<u>(11,409)</u>	<u>(22,041)</u>	<u>(3,299)</u>	<u>(19,592)</u>	
					(11,706)
					69,182
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 57,476</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Continued)

	Other Federal Projects Fund	Early Childhood Block Grant	Gifted
Revenues:			
Other local	\$ 3,657	\$	\$
State aid and grants		94,959	5,780
Federal aid, grants and reimbursements	652,113		
Total revenues	655,770	94,959	5,780
Expenditures:			
Current -			
Instruction		71,245	4,585
Support services - students and staff		311	1,058
Support services - administration			
Operation and maintenance of plant services			
Student transportation services		123	137
Operation of non-instructional services			
Capital outlay	34,981	23,280	
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	34,981	94,959	5,780
Excess (deficiency) of revenues over expenditures	620,789		
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	620,789		
Fund balances, beginning of year	205,187		
Increase in reserve for inventory			
Fund balances, end of year	\$ 825,976	\$	\$

<u>Other State Projects</u>	<u>School Plant</u>	<u>Food Service</u>	<u>Civic Center</u>	<u>Community School</u>	<u>Auxiliary Operations</u>
\$ 130,907	\$ 10,720	\$ 187,579	\$ 87,308	\$ 38,658	\$ 951
		1,640,251			
<u>130,907</u>	<u>10,720</u>	<u>1,827,830</u>	<u>87,308</u>	<u>38,658</u>	<u>951</u>
				29,102	
				12,769	
130,907					
		1,605,527			
		12,101			
<u>130,907</u>		<u>1,617,628</u>		<u>41,871</u>	
	<u>10,720</u>	<u>210,202</u>	<u>87,308</u>	<u>(3,213)</u>	<u>951</u>
		(202,800)			
		(202,800)			
	<u>10,720</u>	<u>7,402</u>	<u>87,308</u>	<u>(3,213)</u>	<u>951</u>
	99,076	196,996	78,274	49,545	5,382
		26,628			
<u>\$</u>	<u>\$ 109,796</u>	<u>\$ 231,026</u>	<u>\$ 165,582</u>	<u>\$ 46,332</u>	<u>\$ 6,333</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Continued)

	Extracurricular Activities Fees Tax Credit	Gifts and Donations	Fingerprint
Revenues:			
Other local	\$ 12,688	\$ 33,846	\$ 104
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	12,688	33,846	104
Expenditures:			
Current -			
Instruction	3,669	22,592	
Support services - students and staff		5,000	
Support services - administration		2,181	24
Operation and maintenance of plant services			
Student transportation services	759	105	
Operation of non-instructional services			
Capital outlay		197	
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	4,428	30,075	24
Excess (deficiency) of revenues over expenditures	8,260	3,771	80
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	8,260	3,771	80
Fund balances, beginning of year	26,166	59,514	2,183
Increase in reserve for inventory			
Fund balances, end of year	\$ 34,426	\$ 63,285	\$ 2,263

<u>Insurance Proceeds</u>	<u>Textbooks</u>	<u>Litigation Recovery</u>	<u>Indirect Costs</u>	<u>Insurance Refund</u>	<u>Grants and Gifts to Teachers</u>
\$ 16,620	\$ 3,447	\$ 49,610	\$ 2,449	\$ 348	\$ 5,351
<u>16,620</u>	<u>3,447</u>	<u>49,610</u>	<u>2,449</u>	<u>348</u>	<u>5,351</u>
	53		6,337		4,543
	5,040		21,578		
					592
	<u>5,093</u>		<u>27,915</u>		<u>5,135</u>
<u>16,620</u>	<u>(1,646)</u>	<u>49,610</u>	<u>(25,466)</u>	<u>348</u>	<u>216</u>
			307,920		
			<u>307,920</u>		
<u>16,620</u>	<u>(1,646)</u>	<u>49,610</u>	<u>282,454</u>	<u>348</u>	<u>216</u>
49,652	17,133	746	204,324	24,209	6,636
<u>\$ 66,272</u>	<u>\$ 15,487</u>	<u>\$ 50,356</u>	<u>\$ 486,778</u>	<u>\$ 24,557</u>	<u>\$ 6,852</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Concluded)

	Intergovernmental Agreements	Totals
Revenues:		
Other local	\$ 82,586	\$ 552,551
State aid and grants		983,278
Federal aid, grants and reimbursements		5,037,619
Total revenues	82,586	6,573,448
Expenditures:		
Current -		
Instruction	25,736	2,332,907
Support services - students and staff		879,496
Support services - administration	35,790	128,888
Operation and maintenance of plant services		130,907
Student transportation services		11,956
Operation of non-instructional services		1,612,144
Capital outlay		188,102
Debt service -		
Interest and fiscal charges		5,372
Principal retirement		100,040
Total expenditures	61,526	5,389,812
Excess (deficiency) of revenues over expenditures	21,060	1,183,636
Other financing sources (uses):		
Transfer in		307,920
Transfer out		(307,920)
Total other financing sources (uses)		
Change in fund balances	21,060	1,183,636
Fund balances, beginning of year	91,588	2,184,674
Increase in reserve for inventory		26,628
Fund balances, end of year	\$ 112,648	\$ 3,394,938

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TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010

	Classroom Site		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 5,496	\$ 5,496
State aid and grants	1,271,000	653,397	(617,603)
Federal aid, grants and reimbursements			
Total revenues	<u>1,271,000</u>	<u>658,893</u>	<u>(612,107)</u>
Expenditures:			
Current -			
Instruction	1,912,961	506,414	1,406,547
Support services - students and staff	27,515	7,284	20,231
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	<u>1,940,476</u>	<u>513,698</u>	<u>1,426,778</u>
Excess (deficiency) of revenues over expenditures	<u>(669,476)</u>	<u>145,195</u>	<u>814,671</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	<u>(669,476)</u>	<u>145,195</u>	<u>814,671</u>
Fund balances, July 1, 2009	130,000	655,788	525,788
Increase in reserve for inventory			
Fund balances (deficits), June 30, 2010	<u>\$ (539,476)</u>	<u>\$ 800,983</u>	<u>\$ 1,340,459</u>

Instructional Improvement		
Budget	Actual	Variance - Positive (Negative)
\$ 158,000	\$ 2,359 98,235	\$ 2,359 (59,765)
<u>158,000</u>	<u>100,594</u>	<u>(57,406)</u>
163,130	153,422	9,708
1,870	1,759	111
<u>165,000</u>	<u>155,181</u>	<u>9,819</u>
<u>(7,000)</u>	<u>(54,587)</u>	<u>(47,587)</u>
<u>(7,000)</u>	<u>(54,587)</u>	<u>(47,587)</u>
238,000	343,093	105,093
<u>\$ 231,000</u>	<u>\$ 288,506</u>	<u>\$ 57,506</u>

County, City, and Town Grants		
Budget	Actual	Variance - Positive (Negative)
\$ 4,003	\$ 4,003	\$ 4,003
<u>4,003</u>	<u>4,003</u>	<u>4,003</u>
20,000	3,999	16,001
<u>20,000</u>	<u>3,999</u>	<u>16,001</u>
<u>(20,000)</u>	<u>4</u>	<u>20,004</u>
<u>(20,000)</u>	<u>4</u>	<u>20,004</u>
<u>\$ (20,000)</u>	<u>\$ 4</u>	<u>\$ 20,004</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Continued)

	Title I Grants		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	1,134,500	1,053,782	(80,718)
Total revenues	<u>1,134,500</u>	<u>1,053,782</u>	<u>(80,718)</u>
Expenditures:			
Current -			
Instruction	681,121	632,660	48,461
Support services - students and staff	400,864	372,343	28,521
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	<u>1,081,985</u>	<u>1,005,003</u>	<u>76,982</u>
Excess (deficiency) of revenues over expenditures	<u>52,515</u>	<u>48,779</u>	<u>(3,736)</u>
Other financing sources (uses):			
Transfer in			
Transfer out	(52,515)	(48,779)	3,736
Total other financing sources (uses)	<u>(52,515)</u>	<u>(48,779)</u>	<u>3,736</u>
Change in fund balances			
Fund balances, July 1, 2009			
Increase in reserve for inventory			
Fund balances (deficits), June 30, 2010	<u>\$</u>	<u>\$</u>	<u>\$</u>

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Continued)

	Limited English and Immigrant Students		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	132,675	133,481	806
Total revenues	132,675	133,481	806
Expenditures:			
Current -			
Instruction	126,828	127,598	(770)
Support services - students and staff	2,568	2,584	(16)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	129,396	130,182	(786)
Excess (deficiency) of revenues over expenditures	3,279	3,299	20
Other financing sources (uses):			
Transfer in			
Transfer out	(3,279)	(3,299)	(20)
Total other financing sources (uses)	(3,279)	(3,299)	(20)
Change in fund balances			
Fund balances, July 1, 2009			
Increase in reserve for inventory			
Fund balances (deficits), June 30, 2010	\$	\$	\$

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Continued)

	Other Federal Projects Fund		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 3,657	\$ 3,657
State aid and grants			
Federal aid, grants and reimbursements	975,000	652,113	(322,887)
Total revenues	975,000	655,770	(319,230)
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	975,000	34,981	940,019
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	975,000	34,981	940,019
Excess (deficiency) of revenues over expenditures		620,789	620,789
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances		620,789	620,789
Fund balances, July 1, 2009		205,187	205,187
Increase in reserve for inventory			
Fund balances (deficits), June 30, 2010	\$	\$ 825,976	\$ 825,976

Early Childhood Block Grant		
Budget	Actual	Variance - Positive (Negative)
\$ 95,000	\$ 94,959	\$ (41)
<u>95,000</u>	<u>94,959</u>	<u>(41)</u>

Chemical Abuse Prevention Programs		
Budget	Actual	Variance - Positive (Negative)
\$ 5,000	\$	\$ (5,000)
<u>5,000</u>		<u>(5,000)</u>

71,276	71,245	31
311	311	
123	123	
23,290	23,280	10
<u>95,000</u>	<u>94,959</u>	<u>41</u>

5,000		5,000
<u>5,000</u>		<u>5,000</u>

<u>\$</u>	<u>\$</u>	<u>\$</u>
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<u>\$</u>	<u>\$</u>	<u>\$</u>
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(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Continued)

	Gifted		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants	14,000	5,780	(8,220)
Federal aid, grants and reimbursements			
Total revenues	<u>14,000</u>	<u>5,780</u>	<u>(8,220)</u>
Expenditures:			
Current -			
Instruction	11,105	4,585	6,520
Support services - students and staff	2,563	1,058	1,505
Support services - administration			
Operation and maintenance of plant services			
Student transportation services	332	137	195
Operation of non-instructional services			
Capital outlay			
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	<u>14,000</u>	<u>5,780</u>	<u>8,220</u>
Excess (deficiency) of revenues over expenditures			
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances			
Fund balances, July 1, 2009			
Increase in reserve for inventory			
Fund balances (deficits), June 30, 2010	<u>\$</u>	<u>\$</u>	<u>\$</u>

Other State Projects		
Budget	Actual	Variance - Positive (Negative)
\$ 131,107	\$ 130,907	\$ (200)
<u>131,107</u>	<u>130,907</u>	<u>(200)</u>

School Plant		
Budget	Actual	Variance - Positive (Negative)
\$ 5,500	\$ 10,720	\$ 5,220
<u>5,500</u>	<u>10,720</u>	<u>5,220</u>

131,107 130,907 200

32,000 32,000

<u>131,107</u>	<u>130,907</u>	<u>200</u>
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<u>32,000</u>		<u>32,000</u>
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<u>(26,500)</u>	<u>10,720</u>	<u>37,220</u>
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<u>(26,500)</u>	<u>10,720</u>	<u>37,220</u>
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<u>70,000</u>	<u>99,076</u>	<u>29,076</u>
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<u>\$</u>	<u>\$</u>	<u>\$</u>
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<u>\$ 43,500</u>	<u>\$ 109,796</u>	<u>\$ 66,296</u>
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(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Continued)

	Food Service		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 149,024	\$ 187,579	\$ 38,555
State aid and grants			
Federal aid, grants and reimbursements	1,250,976	1,640,251	389,275
Total revenues	1,400,000	1,827,830	427,830
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services	1,587,511	1,605,527	(18,016)
Capital outlay	11,965	12,101	(136)
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	1,599,476	1,617,628	(18,152)
Excess (deficiency) of revenues over expenditures	(199,476)	210,202	409,678
Other financing sources (uses):			
Transfer in			
Transfer out	(200,524)	(202,800)	(2,276)
Total other financing sources (uses)	(200,524)	(202,800)	(2,276)
Change in fund balances	(400,000)	7,402	407,402
Fund balances, July 1, 2009	29,000	196,996	167,996
Increase in reserve for inventory		26,628	26,628
Fund balances (deficits), June 30, 2010	\$ (371,000)	\$ 231,026	\$ 602,026

Civic Center			Community School		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 2,500	\$ 87,308	\$ 84,808	\$ 2,500	\$ 38,658	\$ 36,158
<u>2,500</u>	<u>87,308</u>	<u>84,808</u>	<u>2,500</u>	<u>38,658</u>	<u>36,158</u>
			34,752	29,102	5,650
			15,248	12,769	2,479
10,000		10,000			
<u>10,000</u>	<u></u>	<u>10,000</u>	<u>50,000</u>	<u>41,871</u>	<u>8,129</u>
(7,500)	87,308	94,808	(47,500)	(3,213)	44,287
<u>(7,500)</u>	<u>87,308</u>	<u>94,808</u>	<u>(47,500)</u>	<u>(3,213)</u>	<u>44,287</u>
10,790	78,274	67,484	204	49,545	49,341
<u>\$ 3,290</u>	<u>\$ 165,582</u>	<u>\$ 162,292</u>	<u>\$ (47,296)</u>	<u>\$ 46,332</u>	<u>\$ 93,628</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Continued)

	Auxiliary Operations		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 15,000	\$ 951	\$ (14,049)
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	15,000	951	(14,049)
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services	1,000		1,000
Capital outlay			
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	1,000		1,000
Excess (deficiency) of revenues over expenditures	14,000	951	(13,049)
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	14,000	951	(13,049)
Fund balances, July 1, 2009	3,230	5,382	2,152
Increase in reserve for inventory			
Fund balances (deficits), June 30, 2010	\$ 17,230	\$ 6,333	\$ (10,897)

Extracurricular Activities Fees Tax Credit			Gifts and Donations		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 10,000	\$ 12,688	\$ 2,688	\$ 14,000	\$ 33,846	\$ 19,846
<u>10,000</u>	<u>12,688</u>	<u>2,688</u>	<u>14,000</u>	<u>33,846</u>	<u>19,846</u>
20,715	3,669	17,046	18,780	22,592	(3,812)
			4,156	5,000	(844)
			1,813	2,181	(368)
4,285	759	3,526	87	105	(18)
			164	197	(33)
<u>25,000</u>	<u>4,428</u>	<u>20,572</u>	<u>25,000</u>	<u>30,075</u>	<u>(5,075)</u>
<u>(15,000)</u>	<u>8,260</u>	<u>23,260</u>	<u>(11,000)</u>	<u>3,771</u>	<u>14,771</u>
<u>(15,000)</u>	<u>8,260</u>	<u>23,260</u>	<u>(11,000)</u>	<u>3,771</u>	<u>14,771</u>
22,793	26,166	3,373	54,399	59,514	5,115
<u>\$ 7,793</u>	<u>\$ 34,426</u>	<u>\$ 26,633</u>	<u>\$ 43,399</u>	<u>\$ 63,285</u>	<u>\$ 19,886</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Continued)

	Fingerprint		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 500	\$ 104	\$ (396)
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>500</u>	<u>104</u>	<u>(396)</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration	3,500	24	3,476
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	<u>3,500</u>	<u>24</u>	<u>3,476</u>
Excess (deficiency) of revenues over expenditures	<u>(3,000)</u>	<u>80</u>	<u>3,080</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	<u>(3,000)</u>	<u>80</u>	<u>3,080</u>
Fund balances, July 1, 2009	1,706	2,183	477
Increase in reserve for inventory			
Fund balances (deficits), June 30, 2010	<u>\$ (1,294)</u>	<u>\$ 2,263</u>	<u>\$ 3,557</u>

Insurance Proceeds			Textbooks		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 16,620	\$ 16,620	\$ 750	\$ 3,447	\$ 2,697
	<u>16,620</u>	<u>16,620</u>	<u>750</u>	<u>3,447</u>	<u>2,697</u>
10,000		10,000	52	53	(1)
			4,948	5,040	(92)
<u>10,000</u>		<u>10,000</u>	<u>5,000</u>	<u>5,093</u>	<u>(93)</u>
(10,000)	16,620	26,620	(4,250)	(1,646)	2,604
<u>(10,000)</u>	<u>16,620</u>	<u>26,620</u>	<u>(4,250)</u>	<u>(1,646)</u>	<u>2,604</u>
14,844	49,652	34,808	10,190	17,133	6,943
<u>\$ 4,844</u>	<u>\$ 66,272</u>	<u>\$ 61,428</u>	<u>\$ 5,940</u>	<u>\$ 15,487</u>	<u>\$ 9,547</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Continued)

	Litigation Recovery		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 49,610	\$ 49,610
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		49,610	49,610
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures			
Excess (deficiency) of revenues over expenditures		49,610	49,610
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances		49,610	49,610
Fund balances, July 1, 2009	304	746	442
Increase in reserve for inventory			
Fund balances (deficits), June 30, 2010	\$ 304	\$ 50,356	\$ 50,052

Indirect Costs			Insurance Refund		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 2,449	\$ 2,449	\$	\$ 348	\$ 348
	<u>2,449</u>	<u>2,449</u>		<u>348</u>	<u>348</u>
56,753	6,337	50,416	20,000		20,000
193,247	21,578	171,669			
<u>250,000</u>	<u>27,915</u>	<u>222,085</u>	<u>20,000</u>		<u>20,000</u>
(250,000)	(25,466)	224,534	(20,000)	348	20,348
325,500	307,920	(17,580)			
<u>325,500</u>	<u>307,920</u>	<u>(17,580)</u>			
75,500	282,454	206,954	(20,000)	348	20,348
271,384	204,324	(67,060)	21,048	24,209	3,161
<u>\$ 346,884</u>	<u>\$ 486,778</u>	<u>\$ 139,894</u>	<u>\$ 1,048</u>	<u>\$ 24,557</u>	<u>\$ 23,509</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Concluded)

	Grants and Gifts to Teachers		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 2,500	\$ 5,351	\$ 2,851
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	2,500	5,351	2,851
Expenditures:			
Current -			
Instruction	5,308	4,543	765
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	692	592	100
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	6,000	5,135	865
Excess (deficiency) of revenues over expenditures	(3,500)	216	3,716
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	(3,500)	216	3,716
Fund balances, July 1, 2009	3,623	6,636	3,013
Increase in reserve for inventory			
Fund balances (deficits), June 30, 2010	\$ 123	\$ 6,852	\$ 6,729

Intergovernmental Agreements			Totals		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 15,000	\$ 82,586	\$ 67,586	\$ 217,274	\$ 552,551	\$ 335,277
			1,674,107	983,278	(690,829)
			4,651,692	5,037,619	385,927
<u>15,000</u>	<u>82,586</u>	<u>67,586</u>	<u>6,543,073</u>	<u>6,573,448</u>	<u>30,375</u>
73,202	25,736	47,466	3,759,226	2,332,907	1,426,319
101,798	35,790	66,008	818,769	879,496	(60,727)
			363,715	128,888	234,827
			131,107	130,907	200
			15,112	11,956	3,156
			1,642,019	1,612,144	29,875
			1,055,780	188,102	867,678
			5,282	5,372	(90)
			98,359	100,040	(1,681)
<u>175,000</u>	<u>61,526</u>	<u>113,474</u>	<u>7,889,369</u>	<u>5,389,812</u>	<u>2,499,557</u>
<u>(160,000)</u>	<u>21,060</u>	<u>181,060</u>	<u>(1,346,296)</u>	<u>1,183,636</u>	<u>2,529,932</u>
			325,500	307,920	(17,580)
			(294,430)	(307,920)	(13,490)
			31,070		(31,070)
<u>(160,000)</u>	<u>21,060</u>	<u>181,060</u>	<u>(1,315,226)</u>	<u>1,183,636</u>	<u>2,498,862</u>
	91,588	91,588	881,515	2,184,674	1,303,159
				26,628	26,628
<u>\$ (160,000)</u>	<u>\$ 112,648</u>	<u>\$ 272,648</u>	<u>\$ (433,711)</u>	<u>\$ 3,394,938</u>	<u>\$ 3,828,649</u>

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NON-MAJOR CAPITAL PROJECTS FUNDS

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

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

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

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

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

Deficiencies Correction - to account for monies received from the School Facilities Board that are used to correct deficiencies in square footage and in quality of facilities and equipment.

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.

New School Facilities - to account for monies received from the School Facilities Board to be used for constructing new school facilities and purchasing land for new school sites.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2010

	Unrestricted Capital Outlay Fund	Adjacent Ways	Soft Capital Allocation	Gifts and Donations
<u>ASSETS</u>				
Cash and investments	\$	\$	\$	\$ 84
Property taxes receivable	13,526	80,831		
Due from governmental entities	130,135		129,519	
Due from other funds	1,965,739	667,722	907,496	
Total assets	\$ 2,109,400	\$ 748,553	\$ 1,037,015	\$ 84
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 19,619	\$	\$ 839	\$
Construction contracts payable		317,955		
Deferred revenues	11,617	77,054		
Total liabilities	31,236	395,009	839	
Fund balances:				
Unreserved:				
Undesignated	2,078,164	353,544	1,036,176	84
Total fund balances	2,078,164	353,544	1,036,176	84
Total liabilities and fund balances	\$ 2,109,400	\$ 748,553	\$ 1,037,015	\$ 84

<u>Deficiencies Correction</u>	<u>Building Renewal</u>	<u>New School Facilities</u>	<u>Totals</u>
\$ 28	\$ 10,680	\$ 612	\$ 11,404
			94,357
			259,654
	40,831		3,581,788
<u>\$ 28</u>	<u>\$ 51,511</u>	<u>\$ 612</u>	<u>\$ 3,947,203</u>

\$	\$	\$	\$ 20,458
			317,955
			88,671
			<u>427,084</u>

<u>28</u>	<u>51,511</u>	<u>612</u>	<u>3,520,119</u>
<u>28</u>	<u>51,511</u>	<u>612</u>	<u>3,520,119</u>
<u>\$ 28</u>	<u>\$ 51,511</u>	<u>\$ 612</u>	<u>\$ 3,947,203</u>

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2010

	Unrestricted Capital Outlay Fund	Adjacent Ways	Soft Capital Allocation
Revenues:			
Other local	\$ 97,553	\$ 4,956	\$ 50,406
Property taxes	512,593	999,864	5,700
State aid and grants	363,620		358,204
Total revenues	973,766	1,004,820	414,310
Expenditures:			
Capital outlay	488,361	856,850	264,543
Debt service -			
Interest and fiscal charges	16,702		
Principal retirement	303,888		28,262
Total expenditures	808,951	856,850	292,805
Excess (deficiency) of revenues over expenditures	164,815	147,970	121,505
Other financing sources (uses):			
Capital lease agreements			42,392
Total other financing sources (uses)			42,392
Change in fund balances	164,815	147,970	163,897
Fund balances, beginning of year	1,913,349	205,574	872,279
Fund balances, end of year	\$ 2,078,164	\$ 353,544	\$ 1,036,176

<u>Gifts and Donations</u>	<u>Deficiencies Correction</u>	<u>Building Renewal</u>	<u>New School Facilities</u>	<u>Totals</u>
\$ 1	\$	\$ 602	\$ 7	\$ 153,525
				1,518,157
				721,824
<u>1</u>		<u>602</u>	<u>7</u>	<u>2,393,506</u>
				1,609,754
				16,702
				332,150
				<u>1,958,606</u>
<u>1</u>		<u>602</u>	<u>7</u>	<u>434,900</u>
				42,392
				<u>42,392</u>
<u>1</u>		<u>602</u>	<u>7</u>	<u>477,292</u>
83	28	50,909	605	3,042,827
<u>\$ 84</u>	<u>\$ 28</u>	<u>\$ 51,511</u>	<u>\$ 612</u>	<u>\$ 3,520,119</u>

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2010

	Unrestricted Capital Outlay Fund		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 63,000	\$ 97,553	\$ 34,553
Property taxes	596,884	512,593	(84,291)
State aid and grants	388,616	363,620	(24,996)
Total revenues	1,048,500	973,766	(74,734)
Expenditures:			
Capital outlay	1,655,273	488,361	1,166,912
Debt service -			
Interest and fiscal charges	16,702	16,702	
Principal retirement	303,888	303,888	
Total expenditures	1,975,863	808,951	1,166,912
Change in fund balances	(927,363)	164,815	1,092,178
Fund balances, July 1, 2009	1,844,516	1,913,349	68,833
Fund balances, June 30, 2010	\$ 917,153	\$ 2,078,164	\$ 1,161,011

Adjacent Ways			Soft Capital Allocation		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$ 7,500	\$ 4,956	\$ (2,544)	\$ 41,000	\$ 50,406	\$ 9,406
1,000,000	999,864	(136)	1,924	5,700	3,776
			382,076	358,204	(23,872)
<u>1,007,500</u>	<u>1,004,820</u>	<u>(2,680)</u>	<u>425,000</u>	<u>414,310</u>	<u>(10,690)</u>
1,100,000	856,850	243,150	726,967	222,151	504,816
			28,262	28,262	
<u>1,100,000</u>	<u>856,850</u>	<u>243,150</u>	<u>755,229</u>	<u>250,413</u>	<u>504,816</u>
(92,500)	147,970	240,470	(330,229)	163,897	494,126
199,165	205,574	6,409	916,303	872,279	(44,024)
<u>\$ 106,665</u>	<u>\$ 353,544</u>	<u>\$ 246,879</u>	<u>\$ 586,074</u>	<u>\$ 1,036,176</u>	<u>\$ 450,102</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2010
(Continued)

	Gifts and Donations		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 1	\$ 1
Property taxes			
State aid and grants			
Total revenues		1	1
Expenditures:			
Capital outlay			
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures			
Change in fund balances		1	1
Fund balances, July 1, 2009	75	83	8
Fund balances, June 30, 2010	\$ 75	\$ 84	\$ 9

*The Deficiencies Correction Fund was included in the District's budget, however, the budget was -0-.

Deficiencies Correction			Building Renewal		
Budget*	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 602	\$ 602
				602	602
				602	602
	28	28	45,964	50,909	4,945
<u>\$</u>	<u>\$ 28</u>	<u>\$ 28</u>	<u>\$ 45,964</u>	<u>\$ 51,511</u>	<u>\$ 5,547</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2010
(Concluded)

	New School Facilities		
	Budget*	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 7	\$ 7
Property taxes			
State aid and grants			
Total revenues		7	7
Expenditures:			
Capital outlay			
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures			
Change in fund balances		7	7
Fund balances, July 1, 2009		605	605
Fund balances, June 30, 2010	\$	\$ 612	\$ 612

*The New School Facilities Fund was included in the District's budget, however, the budget was -0-.

Totals		
Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$ 111,500	\$ 153,525	\$ 42,025
1,598,808	1,518,157	(80,651)
770,692	721,824	(48,868)
<u>2,481,000</u>	<u>2,393,506</u>	<u>(87,494)</u>
3,482,240	1,567,362	1,914,878
16,702	16,702	
332,150	332,150	
<u>3,831,092</u>	<u>1,916,214</u>	<u>1,914,878</u>
<u>(1,350,092)</u>	<u>477,292</u>	<u>1,827,384</u>
3,006,023	3,042,827	36,804
<u>\$ 1,655,931</u>	<u>\$ 3,520,119</u>	<u>\$ 1,864,188</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 Withholding - to account for voluntary deductions temporarily held by the District as an agent.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
ALL AGENCY FUNDS
JUNE 30, 2010

	Student Activities	Employee Withholding	Totals
<u>ASSETS</u>			
Cash and investments	\$ 19,813	\$ 1,230,500	\$ 1,250,313
Total assets	\$ 19,813	\$ 1,230,500	\$ 1,250,313
<u>LIABILITIES</u>			
Deposits held for others		1,230,500	1,230,500
Due to student groups	19,813		19,813
Total liabilities	\$ 19,813	\$ 1,230,500	\$ 1,250,313

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED JUNE 30, 2010

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending</u> <u>Balance</u>
<u>STUDENT ACTIVITIES FUND</u>				
<u>Assets</u>				
Cash and investments	\$ <u>26,323</u>	\$ <u>41,688</u>	\$ <u>48,198</u>	\$ <u>19,813</u>
Total assets	\$ <u><u>26,323</u></u>	\$ <u><u>41,688</u></u>	\$ <u><u>48,198</u></u>	\$ <u><u>19,813</u></u>
<u>Liabilities</u>				
Due to student groups	\$ <u>26,323</u>	\$ <u>41,688</u>	\$ <u>48,198</u>	\$ <u>19,813</u>
Total liabilities	\$ <u><u>26,323</u></u>	\$ <u><u>41,688</u></u>	\$ <u><u>48,198</u></u>	\$ <u><u>19,813</u></u>
<u>EMPLOYEE WITHHOLDING FUND</u>				
<u>Assets</u>				
Cash and investments	\$ <u>190,152</u>	\$ <u>6,899,491</u>	\$ <u>5,859,143</u>	\$ <u>1,230,500</u>
Total assets	\$ <u><u>190,152</u></u>	\$ <u><u>6,899,491</u></u>	\$ <u><u>5,859,143</u></u>	\$ <u><u>1,230,500</u></u>
<u>Liabilities</u>				
Deposits held for others	\$ <u>190,152</u>	\$ <u>6,899,491</u>	\$ <u>5,859,143</u>	\$ <u>1,230,500</u>
Total liabilities	\$ <u><u>190,152</u></u>	\$ <u><u>6,899,491</u></u>	\$ <u><u>5,859,143</u></u>	\$ <u><u>1,230,500</u></u>
<u>TOTAL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash and investments	\$ <u>216,475</u>	\$ <u>6,941,179</u>	\$ <u>5,907,341</u>	\$ <u>1,250,313</u>
Total assets	\$ <u><u>216,475</u></u>	\$ <u><u>6,941,179</u></u>	\$ <u><u>5,907,341</u></u>	\$ <u><u>1,250,313</u></u>
<u>Liabilities</u>				
Deposits held for others	\$ 190,152	\$ 6,899,491	\$ 5,859,143	\$ 1,230,500
Due to student groups	<u>26,323</u>	<u>41,688</u>	<u>48,198</u>	<u>19,813</u>
Total liabilities	\$ <u><u>216,475</u></u>	\$ <u><u>6,941,179</u></u>	\$ <u><u>5,907,341</u></u>	\$ <u><u>1,250,313</u></u>

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STATISTICAL SECTION

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

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TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NET ASSETS BY COMPONENT
LAST SEVEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Net Assets:					
Invested in capital assets, net of related debt	\$ 35,858,240	\$ 34,776,373	\$ 32,149,707	\$ 31,560,835	\$ 29,732,950
Restricted	4,310,070	3,817,549	2,282,707	1,686,828	1,495,963
Unrestricted	7,529,214	6,410,968	6,490,338	4,663,861	4,398,417
Total net assets	\$ 47,697,524	\$ 45,004,890	\$ 40,922,752	\$ 37,911,524	\$ 35,627,330

	<u>2005</u>	<u>2004</u>
Net Assets:		
Invested in capital assets, net of related debt	\$ 22,912,443	\$ 22,103,214
Restricted	1,473,427	229,618
Unrestricted	3,466,469	1,278,183
Total net assets	\$ 27,852,339	\$ 23,611,015

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

Note: The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 34 were adopted in fiscal year 2003-04 therefore only seven years are shown.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST SEVEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Expenses					
Instruction	\$ 13,242,347	\$ 12,377,468	\$ 12,067,700	\$ 11,643,334	\$ 10,784,163
Support services - students and staff	3,096,019	3,287,085	2,803,498	2,606,466	2,330,283
Support services - administration	3,395,950	2,715,829	3,340,825	2,503,541	2,287,772
Operation and maintenance of plant services	2,318,532	1,918,209	2,095,758	1,999,588	1,663,190
Student transportation services	452,766	554,339	530,811	487,716	516,554
Operation of non-instructional services	1,629,019	1,636,779	1,709,907	1,612,100	1,471,457
Interest on long-term debt	512,204	509,878	448,732	246,386	282,507
Total expenses	<u>24,646,837</u>	<u>22,999,587</u>	<u>22,997,231</u>	<u>21,099,131</u>	<u>19,335,926</u>
Program Revenues					
Charges for services:					
Instruction	75,352	343,507	42,066	105,139	127,087
Support Services - students and staff	11,576				
Operation of non-instructional services	185,353	213,434	266,018	206,722	195,472
Other activities	95,095	76,166	9,610	21,067	16,832
Operating grants and contributions	4,600,256	4,272,316	3,977,492	3,156,528	3,361,682
Capital grants and contributions	322,909	92,129	583,122	18,962	243,148
Total program revenues	<u>5,290,541</u>	<u>4,997,552</u>	<u>4,878,308</u>	<u>3,508,418</u>	<u>3,944,221</u>
Net (Expense)/Revenue	<u>\$ (19,356,296)</u>	<u>\$ (18,002,035)</u>	<u>\$ (18,118,923)</u>	<u>\$ (17,590,713)</u>	<u>\$ (15,391,705)</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST SEVEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30	
	<u>2005</u>	<u>2004</u>
Expenses		
Instruction	\$ 8,447,182	\$ 7,330,822
Support services - students and staff	1,334,867	1,242,201
Support services - administration	1,685,890	1,602,980
Operation and maintenance of plant services	1,624,535	1,598,864
Student transportation services	479,205	380,924
Operation of non-instructional services	1,241,770	989,085
Interest on long-term debt	299,672	1,063,624
Total expenses	<u>15,113,121</u>	<u>14,208,500</u>
Program Revenues		
Charges for Services		
Instruction	51,538	
Support Services - students and staff		
Operation of non-instructional services	175,365	140,787
Other activities	80,135	54,847
Operating grants and contributions	2,834,303	1,809,606
Capital grants and contributions	116,449	5,000
Total program revenues	<u>3,257,790</u>	<u>2,010,240</u>
Net (Expense)/Revenue	<u>\$ (11,855,331)</u>	<u>\$ (12,198,260)</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. 34 were adopted in fiscal year 2003-04 therefore only seven years are shown.

(Concluded)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
GENERAL REVENUES AND TOTAL CHANGES IN NET ASSETS
LAST SEVEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Net (Expense)/Revenue	\$ (19,356,296)	\$ (18,002,035)	\$ (18,118,923)	\$ (17,590,713)	\$ (15,391,705)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	3,145,217	4,149,555	4,710,025	4,741,581	3,267,472
Property taxes, levied for debt service	5,690,850	2,256,538	1,786,383	1,283,205	1,155,435
Property taxes, levied for capital outlay	1,510,083	2,361,148	878,730	1,092,385	1,865,529
Investment income	141,283	379,371	400,312	241,734	112,045
Unrestricted county aid	936,891			8,981	740,804
Unrestricted state aid	9,259,126	12,937,561	13,354,701	12,507,021	15,638,275
Unrestricted federal aid	1,365,480				
Special item - gain on sale of capital assets					387,136
Total general revenues and special item	<u>22,048,930</u>	<u>22,084,173</u>	<u>21,130,151</u>	<u>19,874,907</u>	<u>23,166,696</u>
Changes in Net Assets	<u>\$ 2,692,634</u>	<u>\$ 4,082,138</u>	<u>\$ 3,011,228</u>	<u>\$ 2,284,194</u>	<u>\$ 7,774,991</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
GENERAL REVENUES AND TOTAL CHANGES IN NET ASSETS
LAST SEVEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30	
	<u>2005</u>	<u>2004</u>
Net (Expense)/Revenue	\$ (11,855,331)	\$ (12,198,260)
General Revenues:		
Taxes:		
Property taxes, levied for general purposes	4,314,864	3,799,069
Property taxes, levied for debt service	1,280,367	1,308,423
Property taxes, levied for capital outlay	1,249,483	177,315
Investment income	242,182	92,198
Unrestricted county aid	663,786	515,434
Unrestricted state aid	8,546,061	9,472,168
Unrestricted federal aid		
Special item - gain on sale of capital assets		
Total general revenues	16,296,743	15,364,607
Changes in Net Assets	\$ 4,441,412	\$ 3,166,347

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

Note: The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 34 were adopted in fiscal year 2003-04 therefore only seven years are shown.

(Concluded)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
FUND BALANCES - GOVERNMENTAL FUNDS
LAST NINE FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Fund:					
Reserved	\$ 145,092	\$ 155,953	\$ 550,484	\$ 140,342	\$ 216,692
Unreserved	(897,767)	1,622,890	2,716,830	2,524,756	1,869,575
Total General Fund	\$ (752,675)	\$ 1,778,843	\$ 3,267,314	\$ 2,665,098	\$ 2,086,267
All Other Governmental Funds:					
Reserved	\$ 55,874	\$ 29,246	\$ 29,044	\$ 28,928	\$ 33,853
Unreserved, reported in:					
Special revenue funds	3,339,064	2,155,428	1,900,968	1,070,022	1,538,839
Capital projects funds	9,217,480	4,714,909	3,585,437	3,801,149	846,750
Debt service funds	569,753	622,112	920,855	748,814	507,428
Total all other governmental funds	\$ 13,182,171	\$ 7,521,695	\$ 6,436,304	\$ 5,648,913	\$ 2,926,870
	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	
General Fund:					
Reserved	\$ 143,501	\$ 77,733	\$ 45,941	\$ 19,268	
Unreserved	2,058,412	747,455	356,119	(143,275)	
Total General Fund	\$ 2,201,913	\$ 825,188	\$ 402,060	\$ (124,007)	
All Other Governmental Funds:					
Reserved	\$ 13,616			\$ 3,299	
Unreserved, reported in:					
Special revenue funds	893,395	441,082	288,245	540,748	
Capital projects funds	624,200	(53,587)	1,394,659	1,034,109	
Debt service funds	444,612	229,618	98,794	239,974	
Total all other governmental funds	\$ 1,975,823	\$ 617,113	\$ 1,781,698	\$ 1,818,130	

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
GOVERNMENTAL FUNDS REVENUES
LAST NINE FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Federal sources:					
Federal grants	\$ 4,762,848	\$ 2,336,714	\$ 2,718,144	\$ 1,597,157	\$ 2,018,286
National School Lunch Program	1,640,251	1,562,355	1,509,782	1,427,262	1,240,107
Total federal sources	<u>6,403,099</u>	<u>3,899,069</u>	<u>4,227,926</u>	<u>3,024,419</u>	<u>3,258,393</u>
State sources:					
State equalization assistance	8,507,494	11,935,102	11,929,424	11,163,237	8,391,567
State grants	231,646	581,763	132,644	151,071	120,823
School Facilities Board			33,257	247,753	5,818,260
Other revenues	751,632	1,002,459	1,392,020	1,096,031	1,434,371
Total state sources	<u>9,490,772</u>	<u>13,519,324</u>	<u>13,487,345</u>	<u>12,658,092</u>	<u>15,765,021</u>
Local sources:					
Property taxes	10,307,157	8,620,437	7,338,515	7,044,197	6,379,136
County aid	936,891			8,981	740,804
Food service sales	184,485	212,959	209,386	206,722	195,472
Investment income	141,283	396,495	400,423	241,734	112,045
Other revenues	384,638	420,148	326,271	157,206	143,919
Total local sources	<u>11,954,454</u>	<u>9,650,039</u>	<u>8,274,595</u>	<u>7,658,840</u>	<u>7,571,376</u>
Total revenues	<u>\$ 27,848,325</u>	<u>\$ 27,068,432</u>	<u>\$ 25,989,866</u>	<u>\$ 23,341,351</u>	<u>\$ 26,594,790</u>
	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	
Federal sources:					
Federal grants	\$ 1,700,617	\$ 1,069,729	\$ 607,456	\$ 590,977	
National School Lunch Program	1,083,551	739,877	535,757	424,939	
Total federal sources	<u>2,784,168</u>	<u>1,809,606</u>	<u>1,143,213</u>	<u>1,015,916</u>	
State sources:					
State equalization assistance	7,165,062	6,789,488	5,239,169	4,207,238	
State grants	154,400	165,798	92,745	131,392	
School Facilities Board	783,038	2,542,794	795,383	10,877,844	
Other revenues	597,961	489,522	405,926	400,464	
Total state sources	<u>8,700,461</u>	<u>9,987,602</u>	<u>6,533,223</u>	<u>15,616,938</u>	
Local sources:					
Property taxes	6,784,975	5,189,679	3,679,950	3,398,769	
County aid	663,786	*	464,398	374,807	
Food service sales	149,355	**	137,276	108,844	
Investment income	242,182	38,955	67,365	150,218	
Other revenues	163,944	253,877	118,130	115,468	
Total local sources	<u>8,004,242</u>	<u>5,482,511</u>	<u>4,467,119</u>	<u>4,148,106</u>	
Total revenues	<u>\$ 19,488,871</u>	<u>\$ 17,279,719</u>	<u>\$ 12,143,555</u>	<u>\$ 20,780,960</u>	

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

Notes: 1) * indicates that the County aid was included with the State sources in fiscal year 2003-04.

2) ** indicates that the Food service sales revenue was included in other local revenues in fiscal year 2003-04.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST NINE FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Expenditures:					
Current -					
Instruction	\$ 11,362,447	\$ 10,798,527	\$ 10,522,071	\$ 10,084,052	\$ 8,757,017
Support services - students and staff	2,773,280	3,251,634	2,776,484	2,448,491	2,305,523
Support services - administration	2,817,817	2,712,710	3,040,061	2,380,363	2,146,888
Operation and maintenance of plant services	1,827,175	1,737,699	2,006,035	1,882,546	1,662,565
Student transportation services	419,243	380,053	438,620	403,007	461,984
Operation of non-instructional services	1,612,144	1,607,402	1,668,947	1,557,329	1,414,718
Capital outlay	7,321,026	8,366,841	2,844,385	4,357,080	9,264,640
Debt service -					
Judgments against the District		73,614			
Interest and fiscal charges	541,327	509,878	448,732	252,629	282,507
Principal retirement	5,732,190	2,666,701	1,760,179	1,144,948	986,112
Bond issuance costs	191,640	71,351		92,232	
Total expenditures	<u>\$ 34,598,289</u>	<u>\$ 32,176,410</u>	<u>\$ 25,505,514</u>	<u>\$ 24,602,677</u>	<u>\$ 27,281,954</u>
Expenditures for capitalized assets	\$ 4,886,872	\$ 7,448,289	\$ 1,174,801	\$ 3,304,936	\$ 7,477,985
Debt service as a percentage of noncapital expenditures	22%	13%	9%	7%	6%

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST NINE FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30			
	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Expenditures:				
Current -				
Instruction	\$ 7,607,324	\$ 7,054,797	\$ 5,611,108	\$ 4,184,110
Support services - students and staff	1,307,534	1,312,375	730,200	477,688
Support services - administration	1,572,211	1,609,096	1,400,918	1,213,060
Operation and maintenance of plant services	1,521,378	1,575,094	1,190,311	842,821
Student transportation services	371,922	328,320	369,168	277,244
Operation of non-instructional services	1,176,849	943,128	913,042	575,829
Capital outlay	2,118,563	4,064,544	1,887,407	13,346,758
Debt service -				
Interest, premium and fiscal charges		1,063,624	947,114	994,745
Principal retirement	299,672	197,523	220,774	372,785
Payment to refunded bond escrow agent	857,367			
Bond issuance costs				
Total expenditures	<u>\$ 16,832,820</u>	<u>\$ 18,148,501</u>	<u>\$ 13,270,042</u>	<u>\$ 22,285,040</u>
Expenditures for capitalized assets	\$ 1,288,842	\$ 7,847,166	\$ 910,798	\$ 12,522,281
Debt service as a percentage of noncapital expenditures	7%	12%	9%	14%

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

(Concluded)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST NINE FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Excess (deficiency) of revenues over expenditures	\$ (6,749,964)	\$ (5,107,978)	\$ 484,352	\$ (1,261,326)	\$ (687,164)
Other financing sources (uses):					
General obligation bonds issued	9,600,000	5,045,000		4,545,000	
Premium on sale of bonds	220,763	54,227		98,475	
Proceeds from sale of capital assets	42,392				430,000
Capital lease agreements			494,997		999,137
Transfers in	420,422	319,216	263,518	297,167	136,750
Transfers out	(420,422)	(319,216)	(263,518)	(297,167)	(136,750)
Payment to refunded bond escrow agent					
Total other financing sources (uses)	9,863,155	5,099,227	494,997	4,643,475	1,429,137
Changes in fund balances	\$ 3,113,191	\$ (8,751)	\$ 979,349	\$ 3,382,149	\$ 741,973
	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	
Excess (deficiency) of revenues over expenditures	\$ 2,656,051	\$ (868,782)	\$ (1,126,487)	\$ (1,504,080)	
Other financing sources (uses):					
General obligation bonds issued			5,238,358		
Premium on sale of bonds					
Proceeds from sale of capital assets					
Capital lease agreements		95,533	82,715	162,050	
Transfers in	101,342		910,499	19,865	
Transfers out	(101,342)		(910,499)	(19,865)	
Payment to refunded bond escrow agent			(3,728,324)		
Total other financing sources (uses)	-	95,533	1,592,749	162,050	
Changes in fund balances	\$ 2,656,051	\$ (773,249)	\$ 466,262	\$ (1,342,030)	

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST 10 FISCAL YEARS

Fiscal Year Ended June 30	Real Property		Personal Property	Less: Tax Exempt Real Property	Total Taxable Assessed Valuation	Total Direct Rate	Estimated Actual Value	Ratio of Net Assessed to Estimated Actual Value
	Residential Property	Commercial Property						
2010	\$ 68,857,448	\$ 224,327,946	\$ 29,433,358	\$47,472,142	\$ 275,146,610	3.91	\$1,983,394,506	13.9 %
2009					240,867,096	4.15	1,647,277,849	14.6
2008					194,656,750	4.21	1,295,768,538	13.5
2007					150,922,738	4.88	1,119,466,703	13.5
2006					130,236,357	5.24	919,976,598	14.2
2005					104,619,843	6.74	716,571,128	14.6
2004					91,830,293	5.62	552,899,519	16.6
2003					77,257,733	5.26	514,069,504	15.0
2002					60,193,896	5.44	399,509,663	15.1
2001					52,070,175	6.39	330,956,273	15.7

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

- Notes:** 1) For purposes of calculating the assessed value as a percentage of actual value, the tax-exempt property was included in the assessed value
2) Total taxable assessed valuation is displayed by major component beginning with fiscal year ended June 30, 2010

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST 10 FISCAL YEARS**

Fiscal Year Ended June 30	Overlapping Rates								District Direct Rates		
	County	Flood Control District	Community College District	Central Arizona Water	City of Phoenix	City of Tolleson	City of Avondale	Tolleson Union High School District No. 214	Primary	Secondary	Total
2010	0.99	0.14	0.88	0.10	1.82	2.51	1.11	2.10	0.98	2.93	3.91
2009	1.03	0.14	0.94	0.10	1.82	2.30	1.11	2.61	2.46	1.69	4.15
2008	1.10	0.15	0.98	0.10	1.82	2.67	1.11	2.86	2.06	2.15	4.21
2007	1.18	0.20	1.06	0.12	1.82	2.97	1.17	4.26	2.64	2.23	4.88
2006	1.20	0.21	1.03	0.12	1.82	2.43	1.17	3.79	2.90	2.34	5.24
2005	1.21	0.21	1.04	0.12	1.82	2.41	1.17	4.29	4.01	2.73	6.74
2004	1.28	0.21	1.08	0.12	1.82	2.67	1.16	4.27	3.30	2.31	5.62
2003	1.29	0.21	1.11	0.13	1.82	1.99	1.27	4.90	3.06	2.20	5.26
2002	1.27	0.23	1.11	0.13	1.82	2.24	1.28	4.23	2.56	2.87	5.44
2001	1.27	0.25	1.11	0.13	1.82	2.24	1.28	4.47	3.33	3.06	6.39

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

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND NINE YEARS AGO**

<u>Taxpayer</u>	<u>2010</u>		<u>2002</u>	
	<u>Secondary Assessed Valuation</u>	<u>Percentage of District's Net Assessed Valuation</u>	<u>Secondary Assessed Valuation</u>	<u>Percentage of District's Net Assessed Valuation</u>
ABS SW Investor LLC	\$ 6,878,665	2.50 %	\$ -	%
Willamette Industries Inc.	5,502,932	2.00	4,521,514	5.85
Western Container Corporation	4,539,919	1.65		
Banner Health Systems	4,429,860	1.61		
Holsum Bakery	4,402,346	1.60	2,910,396	3.77
Costco Wholesale Corp.	4,044,655	1.47		
Monmouth Real Estate Investment Corp.	3,549,391	1.29		
Moreland Properties LLC	3,356,789	1.22		
Pratte Buckeye Property LLC	3,329,274	1.21		
Phoenix Investors #8 LLC	3,301,759	1.20		
Stokely Van Kamp			10,523,634	13.62
Smith's Food & Drug			8,894,129	11.51
Continental Pet Tech.			6,804,243	8.81
Albertson's Inc.			5,646,261	7.31
Landis Plastics, Inc.			3,602,685	4.66
Cabot Industrial Properties			2,789,363	3.61
Reckitt&Coleman Inc.			2,497,472	3.23
Autozone			2,451,577	3.17
Total	<u>\$ 43,335,591</u>	<u>15.75 %</u>	<u>\$ 50,641,274</u>	<u>65.54 %</u>

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

Note: Information prior to 2002 is not available.

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
PROPERTY TAX LEVIES AND COLLECTIONS
LAST 10 FISCAL YEARS**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Fiscal Years	Collected to the End of the Current Fiscal Year	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$ 10,372,359	\$ 9,976,501	96.18 %	\$ -	\$ 9,976,501	96.18 %
2009	8,880,739	8,570,904	96.51	273,884	8,844,788	99.60
2008	7,606,016	7,317,560	96.21	288,456	7,606,016	100.00
2007	7,461,004	7,305,362	97.91	155,068	7,460,430	99.99
2006	6,434,077	6,297,234	97.87	130,585	6,427,819	99.90
2005	7,014,061	6,791,918	96.83	221,730	7,013,648	99.99
2004	5,233,795	5,068,049	96.83	165,746	5,233,795	100.00
2003	3,909,286	3,725,556	95.30	183,021	3,908,577	99.98
2002	3,338,829	3,227,878	96.68	107,705	3,335,583	99.90
2001	2,798,128	2,751,978	98.35	46,150	2,798,128	100.00

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

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

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

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
OUTSTANDING DEBT BY TYPE
LAST NINE FISCAL YEARS**

Fiscal Year Ended June 30	General Obligation Bonds					Total Outstanding Debt				
	General Obligation Bonds	Less: Amounts Restricted for Principal	Total	Percentage of Estimated Actual Value	Per Capita	Capital Leases	Total	Percentage of Estimated Actual Value	Per Capita	
2010	\$ 19,355,000	\$ 5,300,000	\$ 14,055,000	0.71 %	2,169	\$ 28,191	\$ 14,083,191	0.71 %	\$ 2,173	
2009	12,040,000	2,285,000	9,755,000	0.59	1,496	417,989	10,172,989	0.62	1,560	
2008	8,365,000	1,370,000	6,995,000	0.48	1,047	799,690	7,794,690	0.54	1,167	
2007	9,300,000	935,000	8,365,000	0.75	1,494	694,872	9,059,872	0.81	1,618	
2006	5,615,000	860,000	4,755,000	0.52	878	904,820	5,659,820	0.62	1,045	
2005	6,415,000	800,000	5,615,000	0.78	1,037	31,795	5,646,795	0.79	1,043	
2004	6,552,000	137,000	6,415,000	1.16	1,185	89,162	6,504,162	1.18	1,201	
2003	6,602,000	567,797	6,034,203	1.17	1,117	54,152	6,088,355	1.18	1,127	
2002	5,193,000	516,709	4,676,291	1.17	719	51,211	4,727,502	1.18	727	

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

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2010**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to School District</u>	<u>Estimated Amount Applicable to School District</u>
Community College District	\$ 653,040,000	0.41 %	\$ 2,677,464
City of Tolleson	48,670,000	61.96	30,155,932
City of Avondale	40,180,000	4.20	1,687,560
City of Phoenix	1,697,478,959	0.38	6,450,420
Tolleson Union High School District No. 214	82,015,000	14.86	<u>12,187,429</u>
Subtotal, Overlapping Debt			<u>53,158,805</u>
Direct:			
Tolleson Elementary School District No. 17			<u>14,083,191</u>
Total Direct and Overlapping Debt			<u><u>\$ 67,241,996</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.

Note: The percentage of overlapping debt was determined by dividing the assessed valuation of the overlapping government located within the boundaries of the School District by the total assessed valuation of the government.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
LEGAL DEBT MARGIN INFORMATION
LAST NINE FISCAL YEARS

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

Secondary assessed valuation	\$ 275,146,610
Debt limit (5% of assessed value)	13,757,331
Debt applicable to limit	14,055,000
Cash on deposit with County Treasurer in Debt Service Fund at year end	<u>5,644,956</u>
Legal debt margin	<u><u>\$ 5,347,287</u></u>

Legal Debt Margin Calculation for Fiscal Year 2010:

Secondary assessed valuation	\$ 275,146,610
Debt limit (15% of assessed value)	41,271,992
Debt applicable to limit	<u>14,055,000</u>
Legal debt margin	<u><u>\$ 27,216,992</u></u>

Fiscal Year Ended June 30

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Debt limit	\$ 41,271,992	\$ 36,161,824	\$ 29,198,513	\$ 22,638,411	\$ 19,535,454
Total net debt applicable to limit	<u>14,055,000</u>	<u>9,755,000</u>	<u>6,995,000</u>	<u>8,365,000</u>	<u>4,755,000</u>
Legal debt margin	<u><u>\$ 27,216,992</u></u>	<u><u>\$ 26,406,824</u></u>	<u><u>\$ 22,203,513</u></u>	<u><u>\$ 14,273,411</u></u>	<u><u>\$ 14,780,454</u></u>
Total net debt applicable to the limit as a percentage of debt limit	34%	27%	24%	37%	24%

	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Debt limit	\$ 15,692,976	\$ 13,774,544	\$ 11,588,660	\$ 9,029,084
Total net debt applicable to limit	<u>5,615,000</u>	<u>6,415,000</u>	<u>6,034,203</u>	<u>4,676,291</u>
Legal debt margin	<u><u>\$ 10,077,976</u></u>	<u><u>\$ 7,359,544</u></u>	<u><u>\$ 5,554,457</u></u>	<u><u>\$ 4,352,793</u></u>
Total net debt applicable to the limit as a percentage of debt limit	36%	47%	52%	52%

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

Note: The District's general obligation bonds are subject to two limits; institutional debt limit (total debt limit) on all GO bonds and the statutory debt limit on class B bonds. The calculation of debt margins are presented in detail for the current fiscal year.

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST 10 CALENDAR YEARS**

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands)</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>	<u>Estimated District Population</u>
2009	4,023,331	\$ 147,122,078	\$ 37,168	8.3 %	6,480
2008	3,987,942	139,665,253	36,135	4.9	6,520
2007	3,907,492	132,423,154	35,046	3.2	6,680
2006	3,792,675	120,716,738	33,178	3.5	5,600
2005	3,648,545	111,103,576	31,757	4.1	5,415
2004	3,742,460	102,277,852	30,160	4.5	5,415
2003	3,598,440	96,998,974	29,020	5.0	5,415
2002	3,296,300	93,544,549	29,117	5.3	5,400
2001	3,192,100	89,771,608	28,329	4.1	6,500
2000	3,072,149	N/A	28,267	2.6	6,500

Sources: The source of the "Personal Income" and "Per Capita" information is the Bureau of Economic Analysis.
The source of the "Population" and "Unemployment Rate" information is State of Arizona,
Department of Economic Security.

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

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND NINE YEARS AGO**

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

Source: The Business Journal Book of Lists

Notes: 1) The principal employers were not available for the District alone, therefore the principal employers for Maricopa County are presented.

2) Information prior to 2002 is not available.

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
 LAST NINE FISCAL YEARS**

	Full-time Equivalent Employees as of June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Supervisory					
Principals	4	4	4	4	4
Assistant principals	3	3	3	2	3
Total supervisory	<u>7</u>	<u>7</u>	<u>7</u>	<u>6</u>	<u>7</u>
Instruction					
Teachers	146	148	119	115	107
Other professionals (instructional)	15	19	40	39	39
Aides	11	20	16	7	8
Total instruction	<u>172</u>	<u>187</u>	<u>175</u>	<u>161</u>	<u>154</u>
Student Services					
Librarians	1	8	4	4	4
Technicians	2	2	3	3	
Total student services	<u>3</u>	<u>10</u>	<u>7</u>	<u>7</u>	<u>4</u>
Support and Administration					
Service workers	48	48	50	60	60
Unskilled laborers	31	33	33	37	38
Total support and administration	<u>79</u>	<u>81</u>	<u>83</u>	<u>97</u>	<u>98</u>
Total	<u><u>261</u></u>	<u><u>285</u></u>	<u><u>272</u></u>	<u><u>271</u></u>	<u><u>263</u></u>

(Continued)

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
 LAST NINE FISCAL YEARS**

	Full-time Equivalent Employees as of June 30			
	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Supervisory				
Principals	4	3	3	3
Assistant principals	2	1	1	1
Total supervisory	<u>6</u>	<u>4</u>	<u>4</u>	<u>4</u>
Instruction				
Teachers	112	85	77	63
Other professionals (instructional)	28	24	21	11
Aides	9	7	9	11
Total instruction	<u>149</u>	<u>116</u>	<u>107</u>	<u>85</u>
Student Services				
Librarians	3	2	3	3
Technicians				
Total student services	<u>3</u>	<u>2</u>	<u>3</u>	<u>3</u>
Support and Administration				
Service workers	51	49	38	36
Unskilled laborers	36	25	29	14
Total support and administration	<u>87</u>	<u>74</u>	<u>67</u>	<u>50</u>
Total	<u><u>245</u></u>	<u><u>196</u></u>	<u><u>181</u></u>	<u><u>142</u></u>

Source: District records

(Concluded)

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
OPERATING STATISTICS
LAST NINE FISCAL YEARS**

Fiscal Year Ended June 30	Average Daily Membership	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Free/Reduced Students
2010	2,640	\$ 20,812,106	\$ 7,883	7.19 %	\$ 24,646,837	\$ 9,336	12.90 %	149	17.7	80.3 %
2009	2,723	20,488,025	7,524	2.31	22,999,587	8,446	2.14	148	18.4	80.5
2008	2,781	20,452,218	7,354	7.71	22,997,231	8,269	7.66	119	23.4	76.6
2007	2,747	18,755,788	6,828	8.84	21,099,131	7,681	6.06	115	23.9	75.6
2006	2,670	16,748,695	6,273	4.20	19,335,926	7,242	7.91	107	25.0	76.4
2005	2,252	13,557,218	6,020	(10.89)	15,113,121	6,711	(10.35)	112	20.1	80.1
2004	1,898	12,822,810	6,756	15.41	14,208,500	7,486	N/A	85	22.3	74.8
2003	1,745	10,214,747	5,854	20.16	N/A	N/A	N/A	77	22.7	75.3
2002	1,554	7,570,752	4,872	N/A	N/A	N/A	N/A	63	24.7	78.6

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

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

2) N/A indicates information is not available or not applicable.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
CAPITAL ASSETS INFORMATION
LAST NINE FISCAL YEARS

	Fiscal Year Ended June 30								
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
<u>Schools</u>									
<u>Elementary</u>									
Buildings	30	28	26	26	26	24	24	24	24
Square feet	283,857	257,857	329,532	329,532	329,532	249,532	249,532	249,532	249,532
Capacity	3,300	3,300	3,300	3,300	3,300	2,500	2,300	2,000	1,800
Enrollment	2,750	2,750	2,900	2,900	2,900	2,600	2,180	2,000	1,780
<u>Administrative</u>									
Buildings	1	1	1	1	1	1	1	1	1
Square feet	12,000	12,000	12,000	12,000	12,000	12,000	3,054	3,054	3,054
<u>Transportation</u>									
Garages	1	1	1	1	1	1	1	1	1
Buses	11,860	11,860	11,860	11,860	11,860	11,860	11,860	11,860	11,860
<u>Athletics</u>									
Soccer fields	2	2	2	2	2	2	2	2	2
Baseball/softball	4	4	4	4	4	4	4	4	4
Playgrounds	10	10	10	10	10	9	9	9	9

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

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