

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2010



Together Everyone Achieves More

1252 S. Avondale Boulevard • Avondale, AZ 85323

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65

AVONDALE, ARIZONA

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

Issued by:
Business and Finance Department

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65

TABLE OF CONTENTS

<u>INTRODUCTORY SECTION</u>	<u>Page</u>
Letter of Transmittal	i
Organizational Chart	vi
List of Principal Officials	vii
 <u>FINANCIAL SECTION</u>	
INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (Required Supplementary Information)	5
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Assets	18
Statement of Activities	19
Fund Financial Statements:	
Balance Sheet – Governmental Funds	22
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets	25
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	26
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	28
Statement of Net Assets – Proprietary Fund	29
Statement of Revenues, Expenses and Changes in Fund Net Assets – Proprietary Fund	30

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65

TABLE OF CONTENTS (Cont'd)

<u>FINANCIAL SECTION</u> (Cont'd)	<u>Page</u>
BASIC FINANCIAL STATEMENTS (Concl'd)	
Statement of Cash Flows – Proprietary Fund	31
Statement of Fiduciary Assets and Liabilities	32
Notes to Financial Statements	33
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (Required Supplementary Information)	
General Fund	52
Note to Required Supplementary Information	53
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES	
Other Major Governmental Funds Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual:	
Debt Service Fund	58
Adjacent Ways Fund	59
Non-Major Governmental Funds:	
Combining Balance Sheet – All Non-Major Governmental Funds – By Fund Type	62
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – All Non-Major Governmental Funds - By Fund Type	63
Non-Major Special Revenue Funds:	
Combining Balance Sheet	68

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65

TABLE OF CONTENTS (Cont'd)

<u>FINANCIAL SECTION</u> (Concl'd)	<u>Page</u>
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES (Concl'd)	
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	76
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	84
Non-Major Capital Projects Funds:	
Combining Balance Sheet	110
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	112
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	114
Agency Funds:	
Combining Statement of Fiduciary Assets and Liabilities	120
Combining Statement of Changes in Fiduciary Assets and Liabilities	121
<u>STATISTICAL SECTION</u>	
Financial Trends:	
Net Assets by Component	125
Expenses, Program Revenues, and Net (Expense)/Revenue	126
General Revenues and Total Changes in Net Assets	128
Fund Balances – Governmental Funds	130
Governmental Funds Revenues	131
Governmental Funds Expenditures and Debt Service Ratio	132

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65

TABLE OF CONTENTS (Concl'd)

<u>STATISTICAL SECTION</u> (Concl'd)	<u>Page</u>
Other Financing Sources and Uses and Net Changes in Fund Balances – Governmental Funds	134
Revenue Capacity:	
Assessed Value and Estimated Actual Value of Taxable Property	135
Direct and Overlapping Property Tax Rates	136
Principal Property Taxpayers	137
Property Tax Levies and Collections	138
Debt Capacity:	
Outstanding Debt by Type	139
Direct and Overlapping Governmental Activities Debt	140
Legal Debt Margin Information	141
Demographic and Economic Information:	
County-Wide Demographic and Economic Statistics	142
Principal Employers	143
Operating Information:	
Full-Time Equivalent District Employees by Type	144
Operating Statistics	146
Capital Assets Information	147

(This page intentionally left blank)

INTRODUCTORY SECTION

(This page intentionally left blank)



LITTLETON ELEMENTARY SCHOOL DISTRICT #65
LEADING...in Learning, Caring, and Growing

P.O. BOX 280, Cashion, Arizona 85329

GOVERNING BOARD

Sandi Nielson,
President

Jeannie Myrick,
Vice-President

Sally Maddux, Member

Kathy Reyes, Member

Kelli Watson, Member

December 14, 2010

Citizens and Governing Board
Littleton Elementary School District No. 65
1252 South Avondale Boulevard
Avondale, Arizona 85323

SUPERINTENDENT

Dr. Roger S. Freeman

**ASSISTANT
SUPERINTENDENT**

Dr. Paul Tighe

ADMINISTRATION

1600 S. 107th Avenue
Avondale, AZ 85323
623-478-5600
FAX 623-478-5625

OPERATIONS

10775 W. 4th Street
Avondale, AZ 85323

Underdown Learning Center

1642 S. 107th Avenue
Avondale, AZ 85323
623-478-5800

Collier Elementary

350 S. 118th Avenue
Avondale, AZ 85323
623-478-5900

Country Place Elementary

10207 W. Country Place
Tolleson, AZ 85353
623-478-6100

Estrella Vista Elementary

11905 W. Cocopah Circle N.
Avondale, AZ 85323
623-478-6200

Littleton Elementary

1252 S. Avondale Boulevard
Avondale, AZ 85323
623-478-5700

Quentin Elementary

11050 W. Whyman Avenue
Avondale, AZ 85323
623-478-6000

Tres Rios Elementary

5025 S. 103rd Avenue
Tolleson, AZ 85353
623-478-6300

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 Littleton Elementary School District No. 65 (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 eight, with an estimated current enrollment of 5,100.

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 District was organized in 1912 and is located about 15 miles west of downtown Phoenix. The District boundaries encompass approximately 30 square miles, which include portions of the City of Phoenix, the City of Avondale and the City of Tolleson. The unincorporated City of Cashion is also included in the District. The District is included in the area served by the Tolleson Union High School District No. 214.

Avondale is located in the southwestern portion of the metropolitan Phoenix area and in the central portion of the County, contiguous to the communities of Litchfield Park to the north, Phoenix to the north and east, Tolleson to the east and Goodyear to the north and west. Unique to Avondale is the convergence of the Gila, Salt and Agua Fria rivers within Avondale. The Phoenix International Raceway is also included in the boundaries for the District. Avondale was incorporated in 1946 and is considered one of the fastest growing residential areas in the County. The population statistics for the City of Avondale according to the 2000 Census was 35,883 and the 2005 Special Census and Estimate was 69,356.

Due to the District's close proximity to the Phoenix Metropolitan area and its strategic location on the I-10 corridor, it is included in the westward expansion of the City. Although agriculture has been the economic mainstay of the area for many years, the attraction of commerce, light manufacturing and residential development are contributing to the District's growth and economic diversity. Home building over the last several years within the District boundaries saw a steady increase. This growth affected student population and since 2002 enrollment increased from 1,367 to the current enrollment of over 4,900 students.

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. Avondale is developing from an agriculturally based community into a center for commerce and light industry. Avondale's economy is a mix of services, retail and manufacturing. Avondale has two employment corridors that are able to access a labor pool of more than a million employees within a 30-minute commute. The I-10 Corridor and the Avondale Boulevard Corridor serve the 66-acre Avondale Civic Center that includes a 16,000 square foot Hilton complex. Some of the firms operating within the boundaries include Avondale Auto Group, Wal-Mart, Fry's Food & Drug Store, Universal Technical Institute, Costco, Home Depot, Sam's Club, Rudolfo Bros. Plastering, Express Way STS, Cemex and Earthblend Custom Landscapes. A new retail center opened in 2009 and includes Staples, Fresh and Easy Supermarket, Jack in the Box, and Panda Express. The area is experiencing some expansion in retail service centers and commercial facilities. New housing starts declined beginning in 2009 due to the state of the economy in Arizona. The city is governed by a mayor and six council members.

The Phoenix metropolitan area and the rest of Maricopa County had been one of the fastest growing regional markets in the United States. The slow economic climate statewide has affected growth within the District. Recovery is expected to be slow at first with true growth returning in as little as two to three years. The number of manufacturing and wholesale business located in the metropolitan area is approaching 3,000. This growth has been stimulated by a combination of warm climate, a substantial well educated labor pool, a wide range of support industries and a governmental climate that is supportive of economic growth and investment.

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 4,023,331 and expected to reach 6 million by 2030. Maricopa County has a very wide range of economic sectors supporting its substantial growth. Maricopa County has, for some time, enjoyed an unemployment rate that was somewhat lower than the national average.

Service is the largest employment sector in the County, partly fueled by the \$2+ billion per year tourist 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, employing over a quarter million people.

Manufacturing consisting primarily of high technology companies is the third largest employer. Other factors aiding economic growth include major expansions of the international airport serving the area, a favorable business climate and the presence of a well developed and expanding transportation infrastructure.

Long-term Financial Planning. The District opened its seventh elementary school, Tres Rios, in August 2008 and suspended enrollment at an existing middle grade school, Underdown. The District adopted a new vision to have all schools be kindergarten through 8th grade. The campus that was closed is now seeing new life as the site for special needs students and the new district administration facility, which was completed in December 2009. New Schools are funded primarily through the Arizona School Facilities Board. An eighth elementary school has conceptual approval and scheduled to open August 2017. The average age of the school buildings is 22 years.

The District sold \$7.8 million in bonds in June of 2008 to finance the District portion of new elementary campuses, as well as additional classroom space, renovations, school bus purchases, and construction of a new District administrative building. In July of 2010, the District sold \$7.6 million in bonds to finance additional renovations at each school site and the purchase of land for future schools and school bus purchases.

After years of growth, the District experienced a slight decline in student numbers for the 2009-2010 school year as development of new housing has slowed throughout the District, but for the 2010-2011 school year the enrollment has stabilized. The secondary assessed value has grown at an average rate of 21 percent over the last 10 years and 28 percent over the last five years before making a gradual recovery.

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.

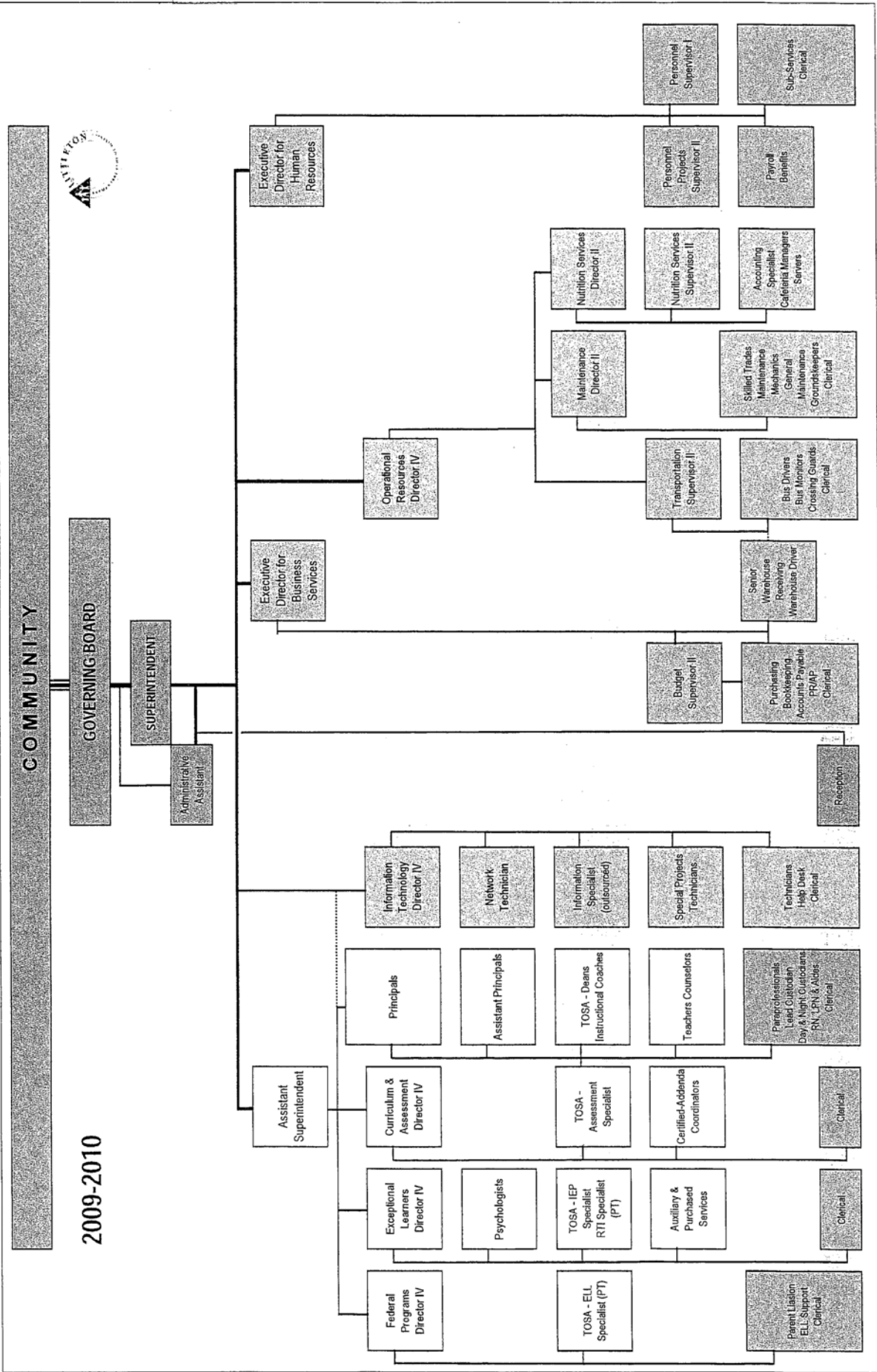
Respectfully submitted,



Dr. Roger Freeman
Superintendent



Ken Hicks
Executive Director for Business
Services



LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65

LIST OF PRINCIPAL OFFICIALS

GOVERNING BOARD

Sandi Nielson
President

Jeannie Myrick
Vice President

Kathy Reyes
Member

Sally Maddux
Member

Kelli Watson
Member

ADMINISTRATIVE STAFF

Roger S. Freeman, Ed.D.
Superintendent

Paul Tighe, Ed.D.
Assistant Superintendent

Ken Hicks
Executive Director for Business Services

(This page intentionally left blank)

FINANCIAL SECTION

(This page intentionally left blank)



INDEPENDENT AUDITORS' REPORT

Governing Board
Littleton Elementary School District No. 65

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Littleton Elementary School District No. 65 (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 Littleton Elementary School District No. 65, as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2010, on our consideration of the Littleton Elementary School District No. 65's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 14 and budgetary comparison information on pages 52 and 53 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Heinfeld, Meech & Co., P.C.

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

December 14, 2010

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

(This page intentionally left blank)

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

As management of the Littleton Elementary School District No. 65 (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 \$3.2 million, which represents a 5 percent increase from the prior fiscal year, as a result of an increase in capital assets due to the completion of the new district offices.
- General revenues accounted for \$35.8 million in revenue, or 84 percent of all current fiscal year revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$6.9 million, or 16 percent of total current fiscal year revenues.
- The District had approximately \$39.6 million in expenses related to governmental activities, a decrease of 9 percent from the prior fiscal year, as a result of decreased spending due to budget constraints.
- Among major funds, the General Fund had \$30.5 million in current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$28.0 million in expenditures. The General Fund's fund balance increase from \$(1.9) million at the prior fiscal year end to \$843,420 at the end of the current fiscal year.
- Net assets for the Internal Service Funds decreased \$109,214 from the prior fiscal year primarily due to the reduction in staff levels causing unemployment claims to increase.

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.

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

OVERVIEW OF FINANCIAL STATEMENTS (Cont'd)

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The accrual basis of accounting is used for the government-wide financial statements.

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

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

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

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

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

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

OVERVIEW OF FINANCIAL STATEMENTS (Concl'd)

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

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

Proprietary funds. The District maintains one type of proprietary fund. The internal service fund is an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses its internal service fund to account for its unemployment insurance. Because this service predominantly benefits governmental functions, it has been included within governmental activities in the government-wide financial statements. The unemployment insurance fund functions for all employees of the District, and therefore has been included as an internal service fund.

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.

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$66.0 million at the current fiscal year end.

The largest portion of the District's net assets (78 percent) reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, and vehicles, furniture and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. In addition, a portion of the District's net assets (10 percent) are restricted by statute for the specified purposes of debt service repayment and capital outlay investment.

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

	As of June 30, 2010	As of June 30, 2009
Current and other assets	\$ 19,477,764	\$ 18,945,547
Capital assets, net	64,810,828	60,933,466
Total assets, net	<u>84,288,592</u>	<u>79,879,013</u>
Current and other liabilities	2,999,790	1,630,235
Long-term liabilities	15,306,257	15,422,920
Total liabilities	<u>18,306,047</u>	<u>17,053,155</u>
Net assets:		
Invested in capital assets, net of related debt	51,517,384	50,763,428
Restricted	6,415,893	5,554,379
Unrestricted	8,049,268	6,508,051
Total net assets	<u>\$ 65,982,545</u>	<u>\$ 62,825,858</u>

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

The District's financial position is the product of several financial transactions including the net result of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

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

- The principal retirement of \$1.1 million of bonds and \$148,945 of bond premium.
- The net addition of \$6.0 million in capital assets through school improvements, and purchases of vehicles and equipment.
- The addition of \$938,038 in capital leases for HVAC units and energy upgrades.

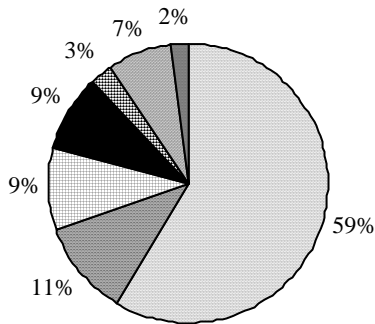
Changes in net assets. The District's total revenues for the current fiscal year were \$42.7 million. The total cost of all programs and services was \$39.6 million. The following table presents a summary of the changes in net assets for the fiscal years ended June 30, 2010 and June 30, 2009.

	<u>Fiscal Year Ended June 30, 2010</u>	<u>Fiscal Year Ended June 30, 2009</u>
Revenues:		
Program revenues:		
Charges for services	\$ 706,011	\$ 926,007
Operating grants and contributions	5,929,433	5,824,208
Capital grants and contributions	281,127	114,245
General revenues:		
Property taxes	13,258,204	12,755,856
Investment income	244,826	428,438
Unrestricted county aid	1,721,324	
Unrestricted state aid	18,144,761	18,752,175
Unrestricted federal aid	2,430,258	
Total revenues	<u>\$ 42,715,944</u>	<u>38,800,929</u>
Expenses:		
Instruction	23,204,628	25,848,457
Support services – students and staff	4,351,556	4,910,946
Support services – administration	3,712,521	3,840,626
Operation and maintenance of plant services	3,532,952	3,423,325
Student transportation services	1,055,660	1,565,093
Operation of non-instructional services	2,936,076	2,780,839
Interest on long-term debt	765,864	960,599
Total expenses	<u>39,559,257</u>	<u>43,329,885</u>
Change in net assets	<u>\$ 3,156,687</u>	<u>\$ (4,528,956)</u>

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

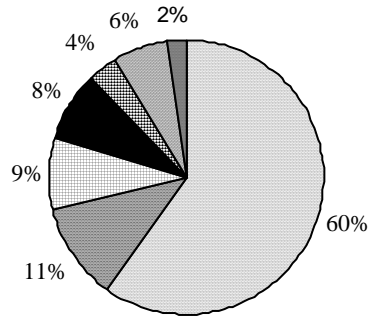
GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

Fiscal Year 2009-10 Expenses



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

Fiscal Year 2008-09 Expenses



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

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

- Decrease of \$3.8 million in total expenses due primarily to a reduction in students.
- Increase of \$1.7 million and \$2.4 million in unrestricted county aid and unrestricted federal aid respectively.

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.

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	\$ 23,204,700	\$ (21,065,978)	\$ 25,848,457	\$ (23,420,244)
Support services – students and staff	4,351,556	(3,078,668)	4,910,946	(3,472,560)
Support services – administration	3,712,449	(3,486,317)	3,840,626	(3,742,303)
Operation and maintenance of plant services	3,532,952	(3,445,457)	3,423,325	(3,340,592)
Student transportation services	1,055,660	(1,005,647)	1,565,093	(1,466,770)
Operation of non-instructional services	2,936,076	205,245	2,780,839	(62,357)
Interest on long-term debt	765,864	(765,864)	960,599	(960,599)
Total	<u>\$ 39,559,257</u>	<u>\$ (32,642,686)</u>	<u>\$ 43,329,885</u>	<u>\$ (36,465,425)</u>

- The cost of all governmental activities this year was \$39.6 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$6.9 million.
- Net cost of governmental activities of \$32.6 million was financed by general revenues, which are made up of primarily property taxes of \$13.3 million and state aid of \$18.1 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 \$13.4 million, an increase of \$616,817.

The General Fund is the principal operating fund of the District. The increase in fund balance of \$2.7 million in the General Fund to \$843,429 as of fiscal year end was primarily a result of an increase in state aid revenues. General revenues increased \$10.6 million as a result of \$2.4 million in federal stimulus funds. In addition, property tax revenues increased \$2.0 million, state aid increased \$4.5 million and county aid increased \$1.6 million. General Fund expenditures increased \$1.9 million.

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

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

Fund balance of the Debt Service Fund decreased \$996,198 due to scheduled bond payments.

Fund balance of the Adjacent Ways Fund increased \$889,636 due to the District accumulating funds for future projects.

Proprietary funds. Unrestricted net assets of the Internal Service Fund at the end of the fiscal year amounted to \$83,320. The decrease of \$109,214 from the prior fiscal year was primarily due to the reduction of staff, causing unemployment claims expense to increase.

BUDGETARY HIGHLIGHTS

- Over the course of the year, the District revised the General Fund annual expenditure budget due to decrease in student population. The difference between the original budget and the final amended budget was a \$493,332 decrease, or 2 percent. Significant variances for the final amended budget and actual revenues resulted from the District no longer 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.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. As of year end, the District had invested \$74.6 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$5.6 million from the prior fiscal year, primarily due to the addition of the new district offices. Total depreciation expense for the current fiscal year was \$1.8 million.

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

	As of <u>June 30, 2010</u>	As of <u>June 30, 2009</u>
Capital assets – non-depreciable	\$ 2,249,664	\$ 3,366,674
Capital assets – depreciable, net	62,561,164	57,566,792
Total	<u>\$ 64,810,828</u>	<u>\$ 60,933,466</u>

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

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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 \$14.5 million in long-term debt outstanding, \$2.0 million due within one year. This represents a net decrease of \$378,455 due to the payment of bonds and the issuance of a new lease.

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 \$58.4 million and the Class B debt limit is \$19.5 million, which are more than the District's total outstanding general obligation and Class B debt, respectively.

Additional information on the District's long-term debt can be found in Notes 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 \$813,511).
- District student population (estimated 5,100).
- Employee salaries.

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

Budgeted expenditures in the General Fund decreased to \$25.8 million in fiscal year 2010-11. Decreased payroll and employee benefit costs is the primary reason for the decrease. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2010-11 budget.

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

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, Littleton Elementary School District No. 65, 1252 South Avondale Boulevard, Avondale, Arizona 85323.

BASIC FINANCIAL STATEMENTS

(This page intentionally left blank)

GOVERNMENT-WIDE FINANCIAL STATEMENTS

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
STATEMENT OF NET ASSETS
JUNE 30, 2010

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 11,140,053
Property taxes receivable	1,139,071
Accounts receivable	31,418
Due from governmental entities	6,780,424
Prepaid items	259,369
Inventory, at cost	127,429
Total current assets	19,477,764
Noncurrent assets:	
Land	2,249,664
Land improvements	1,007,927
Buildings and improvements	66,225,932
Vehicles, furniture and equipment	5,145,260
Accumulated depreciation	(9,817,955)
Total noncurrent assets	64,810,828
Total assets	84,288,592
 <u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	2,396,370
Construction contracts payable	44,303
Claims payable	22,655
Compensated absences payable	60,000
Accrued interest payable	489,384
Unearned revenues	47,078
Obligations under capital leases	125,601
Bonds payable	1,905,000
Total current liabilities	5,090,391
Noncurrent liabilities:	
Non-current portion of long-term obligations	13,215,656
Total non-current liabilities	13,215,656
Total liabilities	18,306,047
 <u>NET ASSETS</u>	
Invested in capital assets, net of related debt	51,517,384
Restricted for:	
Debt service	31,647
Capital outlay	6,384,246
Unrestricted	8,049,268
Total net assets	\$ 65,982,545

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

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2010**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental activities:					
Instruction	\$ 23,204,700	\$ 237,127	\$ 1,620,468	\$ 281,127	\$(21,065,978)
Support services - students and staff	4,351,556		1,272,888		(3,078,668)
Support services - administration	3,712,449		226,132		(3,486,317)
Operation and maintenance of plant services	3,532,952	87,495			(3,445,457)
Student transportation services	1,055,660		50,013		(1,005,647)
Operation of non-instructional services	2,936,076	381,389	2,759,932		205,245
Interest on long-term debt	765,864				(765,864)
Total governmental activities	<u>\$ 39,559,257</u>	<u>\$ 706,011</u>	<u>\$ 5,929,433</u>	<u>\$ 281,127</u>	<u>(32,642,686)</u>
 General revenues:					
Taxes:					
					9,027,112
					1,598,734
					2,632,358
					244,826
					1,721,324
					18,144,761
					2,430,258
					<u>35,799,373</u>
					 3,156,687
					 <u>62,825,858</u>
					 <u>\$ 65,982,545</u>

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

(This page intentionally left blank)

FUND FINANCIAL STATEMENTS

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2010

	General Fund	Debt Service Fund	Adjacent Ways
<u>ASSETS</u>			
Cash and investments	\$	\$ 2,354,220	\$ 313,498
Property taxes receivable	795,821	71,811	219,074
Accounts receivable			
Due from governmental entities	5,497,519		
Due from other funds			1,951,697
Prepaid items	259,369		
Inventory, at cost	41,069		
Total assets	\$ 6,593,778	\$ 2,426,031	\$ 2,484,269
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 2,285,793	\$	\$
Construction contracts payable			
Due to other funds	2,714,002		
Deferred revenues	750,554	52,742	203,184
Bonds payable		1,905,000	
Bond interest payable		489,384	
Total liabilities	5,750,349	2,447,126	203,184
Fund balances (deficits):			
Reserved for prepaid items	259,369		
Reserved for inventory	41,069		
Unreserved:			
Undesignated	542,991	(21,095)	2,281,085
Unreserved reported in:			
Special revenue funds			
Capital projects funds			
Total fund balances	843,429	(21,095)	2,281,085
Total liabilities and fund balances	\$ 6,593,778	\$ 2,426,031	\$ 2,484,269

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 8,366,360	\$ 11,034,078
52,365	1,139,071
31,418	31,418
1,282,905	6,780,424
976,852	2,928,549
	259,369
86,360	127,429
<u>\$ 10,796,260</u>	<u>\$ 22,300,338</u>

\$ 110,577	\$ 2,396,370
44,303	44,303
214,547	2,928,549
97,776	1,104,256
	1,905,000
	489,384
<u>467,203</u>	<u>8,867,862</u>

	259,369
86,360	127,429
	2,802,981
5,233,948	5,233,948
5,008,749	5,008,749
<u>10,329,057</u>	<u>13,432,476</u>
<u>\$ 10,796,260</u>	<u>\$ 22,300,338</u>

(This page intentionally left blank)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2010

Total governmental fund balances	\$	13,432,476
<p>Amounts reported for <i>governmental activities</i> in the Statement of Net Assets are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		
Governmental capital assets	\$ 74,628,783	
Less accumulated depreciation	<u>(9,817,955)</u>	64,810,828
<p>Some revenues will not be available to pay for current period expenditures and, therefore, are deferred in the funds.</p>		
Property taxes	1,019,776	
Intergovernmental	<u>37,402</u>	1,057,178
<p>The Internal Service Fund is used by management to charge the cost of insurance to the individual funds. The assets and liabilities of the Internal Service Fund are included in the Statement of Net Assets.</p>		
		83,320
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.</p>		
Compensated absences payable	(853,343)	
Obligations under capital leases	(1,062,914)	
Bonds payable	<u>(11,485,000)</u>	<u>(13,401,257)</u>
Net assets of governmental activities	\$	<u>65,982,545</u>

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

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2010

	General Fund	Debt Service Fund	Adjacent Ways
Revenues:			
Other local	\$ 1,700,723	\$ 38,436	\$ 24,697
Property taxes	8,667,610	1,626,085	2,145,266
State aid and grants	17,709,414		
Federal aid, grants and reimbursements	2,430,258		
Total revenues	30,508,005	1,664,521	2,169,963
Expenditures:			
Current -			
Instruction	17,869,594		
Support services - students and staff	2,719,230		
Support services - administration	3,035,806		
Operation and maintenance of plant services	3,288,513		
Student transportation services	959,124		
Operation of non-instructional services	95,731		
Capital outlay			1,280,327
Debt service -			
Interest and fiscal charges		755,719	
Principal retirement		1,905,000	
Total expenditures	27,967,998	2,660,719	1,280,327
Excess (deficiency) of revenues over expenditures	2,540,007	(996,198)	889,636
Other financing sources (uses):			
Transfer in			
Transfer out			
Capital lease agreements			
Total other financing sources (uses)			
Changes in fund balances	2,540,007	(996,198)	889,636
Fund balances (deficits), beginning of year	(1,879,697)	975,103	1,391,449
Increase (decrease) in reserve for inventory	(76,250)		
Increase in reserve for prepaid items	259,369		
Fund balances (deficits), end of year	\$ 843,429	\$ (21,095)	\$ 2,281,085

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 909,602	\$ 2,673,458
444,651	12,883,612
3,016,070	20,725,484
5,991,326	8,421,584
<u>10,361,649</u>	<u>44,704,138</u>
2,958,493	20,828,087
1,457,478	4,176,708
413,979	3,449,785
25,245	3,313,758
91,433	1,050,557
2,738,087	2,833,818
5,561,788	6,842,115
10,145	765,864
57,548	1,962,548
<u>13,314,196</u>	<u>45,223,240</u>
<u>(2,952,547)</u>	<u>(519,102)</u>
464,537	464,537
(464,537)	(464,537)
938,038	938,038
<u>938,038</u>	<u>938,038</u>
<u>(2,014,509)</u>	<u>418,936</u>
12,328,804	12,815,659
14,762	(61,488)
	259,369
<u>\$ 10,329,057</u>	<u>\$ 13,432,476</u>

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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		\$ 616,817
<p>Amounts reported for <i>governmental activities</i> in the Statement of Activities are different because:</p>		
<p>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.</p>		
Expenditures for capitalized assets	\$ 5,996,816	
Less current year depreciation	<u>(1,834,824)</u>	4,161,992
<p>Capital lease proceeds provide current financial resources to governmental funds, but issuing debt increases long term liabilities in the Statement of Net Assets.</p>		
		(938,038)
<p>Some revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Property taxes	373,470	
Intergovernmental	<u>(2,364,466)</u>	(1,990,996)
<p>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.</p>		
Capital lease principal retirement	57,548	
Bond principal retirement	<u>1,905,000</u>	1,962,548
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Loss on disposal of capital assets	(284,630)	
Compensated absences	<u>(261,792)</u>	(546,422)
<p>The Internal Service Fund is used by management to charge the cost of insurance to the individual funds. The changes in net assets of the Internal Service Fund is reported with governmental activities in the Statement of Activities.</p>		
		<u>(109,214)</u>
Change in net assets in governmental activities		<u>\$ 3,156,687</u>

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

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
STATEMENT OF NET ASSETS
PROPRIETARY FUND
JUNE 30, 2010

	Governmental Activities: Internal Service Fund
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 105,975
Total assets	105,975
 <u>LIABILITIES</u>	
Current liabilities:	
Claims payable	22,655
Total liabilities	22,655
 <u>NET ASSETS</u>	
Unrestricted	83,320
Total net assets	\$ 83,320

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

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Governmental Activities: Internal Service Fund
Operating expenses:	
Claims	111,274
Administrative fees	742
Total operating expenses	112,016
 Operating loss	 (112,016)
 Nonoperating revenues (expenses):	
Investment income	2,802
Total nonoperating revenues (expenses)	2,802
 Changes in net assets	 (109,214)
 Total net assets, beginning of year	 192,534
 Total net assets, end of year	 \$ 83,320

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

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
STATEMENT OF CASH FLOWS - PROPRIETARY FUND
YEAR ENDED JUNE 30, 2010**

	Governmental Activities: Internal Service Fund
<u>Decrease in Cash and Cash Equivalents</u>	
Cash flows from operating activities:	
Cash payments to suppliers for goods and services	\$ (742)
Cash payments for claims	(88,619)
Net cash used for operating activities	(89,361)
Cash flows from investing activities:	
Investment income	2,802
Net cash provided by investing activities	2,802
Net decrease in cash and cash equivalents	(86,559)
Cash and cash equivalents, beginning of year	192,534
Cash and cash equivalents, end of year	\$ 105,975
<u>Reconciliation of Operating Loss to Net Cash Used for Operating Activities</u>	
Operating loss	\$ (112,016)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Changes in assets and liabilities:	
Increase in claims payable	22,655
Total adjustments	22,655
Net cash used for operating activities	\$ (89,361)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2010

	<u>Agency</u>
<u>ASSETS</u>	
Cash and investments	\$ 220,072
Total assets	<u>\$ 220,072</u>
<u>LIABILITIES</u>	
Deposits held for others	192,347
Due to student groups	<u>27,725</u>
Total liabilities	<u>\$ 220,072</u>

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

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Littleton Elementary School District No. 65 (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.

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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 County, State 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, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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 aid, tuition and investment income associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Food services and miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash. Grants and similar awards are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. Deferred revenues arise when resources are received by the District before it has legal claim to them, as when grant monies are received prior to meeting all eligibility requirements imposed by the provider.

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

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

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

The District reports the following major governmental funds:

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

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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.

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

Additionally, the District reports the following fund types:

Proprietary Fund – The Proprietary Fund is an Internal Service Fund that accounts for the financing of the Unemployment Insurance Fund, which represents the District's financial activity for unemployment insurance claims.

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

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

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

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

D. Cash and Investments

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

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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

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

E. Investment Income

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

F. Receivables and Payables

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

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

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

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

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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

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

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

G. Inventory

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories consist of expendable supplies held for consumption. Inventories are recorded as expenses when consumed on the government-wide financial statements and as expenditures when purchased on the fund financial statements.

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

H. Prepaid Items

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

I. Capital Assets

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

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

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

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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

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

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

J. Compensated Absences

The District's employee vacation and sick leave policies generally provide for granting vacation and sick leave with pay. Accrued sick leave is earned by all full-time employees at the rate of one day for each calendar month or fraction thereof worked. In the event of termination, an employee is reimbursed for accrued sick leave at varying rates depending on position of classified or certified and the number of sick days accumulated. All 12-month classified employees earn vacation; however, vacation time may only accumulate to a maximum of 25 days for administrators and 15 days for non-administrators. 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 recorded in the governmental funds only if they have matured, for example, as a result of employee leave, resignations and retirements. Generally, resources from the General Fund are used to pay for compensated absences.

K. Long-term Obligations

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

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

L. Fund Equity

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

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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

M. Interfund Activity

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

N. Estimates

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Individual Deficit Fund Balance – At year end, the following major fund reported a deficit in fund balance.

	<u>Deficit</u>
Major Fund:	
Debt Service	\$ 21,095

The deficit arose because of operations during the year. Additional revenues received in fiscal year 2010-11 are expected to eliminate the deficit.

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

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.

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 3 - CASH AND INVESTMENTS (Concl'd)

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 \$250,729, and the bank balance was \$251,537. Of the bank balance, \$250,000 was covered by Federal depository insurance, and \$1,537 were guaranteed under the transaction account guarantee component of the Temporary Liquidity Guarantee Program.

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 pool’s 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	\$ 11,109,396
Total		<u>\$ 11,109,396</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.

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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.

	General Fund	Non-Major Governmental Funds
Due from other governmental entities:		
Due from Federal government	\$	\$ 442,698
Due from State government	5,497,519	840,207
Net due from governmental entities	<u>\$ 5,497,519</u>	<u>\$ 1,282,905</u>

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

	Unavailable	Unearned
Delinquent property taxes receivable (General Fund)	\$ 714,274	\$
Delinquent property taxes receivable (Debt Service Fund)	52,742	
Delinquent property taxes receivable (Adjacent Ways Fund)	203,184	
Delinquent property taxes receivable (Non-Major governmental funds)	49,576	
Grant drawdowns prior to meeting all eligibility requirements (Non-Major Governmental Funds)		47,078
Measurable but unavailable revenues (General Fund)	36,280	
Measurable but unavailable revenues (Non-Major Governmental Funds)	1,122	
Total deferred revenue for governmental funds	<u>\$ 1,057,178</u>	<u>\$ 47,078</u>

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	\$ 2,249,664	\$	\$	\$ 2,249,664
Construction in progress	1,117,010	4,017,051	5,134,061	
Total capital assets, not being depreciated	<u>3,366,674</u>	<u>4,017,051</u>	<u>5,134,061</u>	<u>2,249,664</u>
Capital assets, being depreciated:				
Land improvements	897,283	110,644		1,007,927
Buildings and improvements	59,656,170	6,672,017	102,255	66,225,932
Vehicles, furniture and equipment	5,140,320	331,165	326,225	5,145,260
Total capital assets being depreciated	<u>65,693,773</u>	<u>7,113,826</u>	<u>428,480</u>	<u>72,379,119</u>
Less accumulated depreciation for:				
Land improvements	(465,395)	(104,470)		(569,865)
Buildings and improvements	(6,070,544)	(1,294,830)	(5,563)	(7,359,811)
Vehicles, furniture and equipment	(1,591,042)	(435,524)	(138,287)	(1,888,279)
Total accumulated depreciation	<u>(8,126,981)</u>	<u>(1,834,824)</u>	<u>(143,850)</u>	<u>(9,817,955)</u>
Total capital assets, being depreciated, net	<u>57,566,792</u>	<u>5,279,002</u>	<u>284,630</u>	<u>62,561,164</u>
Governmental activities capital assets, net	<u>\$ 60,933,466</u>	<u>\$ 9,296,053</u>	<u>\$ 5,418,691</u>	<u>\$ 64,810,828</u>

Depreciation expense was charged to governmental functions as follows.

Instruction	\$ 1,344,123
Support services – students and staff	73,186
Support services – administration	78,073
Operation and maintenance of plant services	77,592
Student transportation services	143,532
Operation of non-instructional services	118,318
Total depreciation expense – governmental activities	<u>\$ 1,834,824</u>

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 6 - OBLIGATIONS UNDER CAPITAL LEASES

The District has acquired buses and copiers 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 Unrestricted Capital Outlay Fund, a non-major governmental fund, are used to pay the capital lease obligations.

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

	Governmental Activities
Asset:	
Building improvements	\$ 938,038
Vehicles, furniture and equipment	269,384
Less: Accumulated depreciation	61,493
Total	\$ 1,145,929

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

	Governmental Activities
Year Ending June 30:	
2011	\$ 204,610
2012	204,610
2013	136,917
2014	136,917
2015	136,917
2016-20	684,583
Total minimum lease payments	1,504,554
Less: amount representing interest	441,640
Present value of minimum lease payments	\$ 1,062,914
Due within one year	\$ 125,601

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt.

<u>Purpose</u>	<u>Original Amount Issued</u>	<u>Interest Rates</u>	<u>Maturity</u>	<u>Outstanding Principal June 30, 2010</u>	<u>Due Within One Year</u>
Governmental activities:					
General Obligation Refunding					
Bonds, Series 2001	\$ 1,230,000	4.875-5.0%	7/1/10-14	\$ 1,230,000	\$ 225,000
School Improvement Bonds, Project of 2006, Series A (2007)	8,000,000	4.0%	7/1/10-15	4,480,000	980,000
School Improvement Bonds, Project of 2006, Series B (2007)	7,830,000	3.0-4.0%	7/1/10-20	<u>7,680,000</u>	<u>700,000</u>
Total				<u>\$ 13,390,000</u>	<u>\$ 1,905,000</u>

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

Year ending June 30:	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2011	\$ 1,905,000	\$ 493,185
2012	1,425,000	428,968
2013	1,685,000	366,950
2014	1,880,000	296,181
2015	1,340,000	232,500
2016-21	<u>5,155,000</u>	<u>642,300</u>
Total	<u>\$ 13,390,000</u>	<u>\$ 2,460,084</u>

In prior years, the District defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At year end, \$3,355,000 of defeased bonds are still outstanding.

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	\$ 14,500,000	\$	\$ 1,110,000	\$ 13,390,000	\$ 1,905,000
Bond premium payable	148,945		\$148,945		
Obligations under capital leases	182,424	938,038	57,548	1,062,914	125,601
Compensated absences payable	591,551	519,561	257,769	853,343	60,000
Governmental activity long-term liabilities	<u>\$ 15,422,920</u>	<u>\$ 1,457,599</u>	<u>\$ 1,574,262</u>	<u>\$ 15,306,257</u>	<u>\$ 2,090,601</u>

NOTE 9 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At year end, interfund balances were as follows.

Due to/from other funds:

Due to	Due from		
	Adjacent Ways Fund	Non-Major Governmental Funds	Total
General Fund	\$ 1,951,697	\$ 762,305	\$ 2,714,002
Non-Major Governmental Funds		214,547	214,547
Total	<u>\$ 1,951,697</u>	<u>\$ 976,852</u>	<u>\$ 2,928,549</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	
	Non-Major Governmental Funds	Total
Non-Major Governmental Funds	\$ 464,537	\$ 464,537
Total	<u>\$ 464,537</u>	<u>\$ 464,537</u>

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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

Transfers between funds were used 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.

Lease-to-Own Agreement - The Arizona School Facilities Board (SFB) entered into a lease in January 2003 to finance costs of the District's new school facilities pursuant to A.R.S. 15-2004, 15-2005 and 15-2006. The SFB is required to make all lease payments, however if the SFB does not make the lease payments, the District has the option to make payments on behalf of the SFB to ensure the facilities do not revert back to the lessor.

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 equivalent to VSEBT for employees' health and accident insurance coverage. The agreement provides that VSEBT will be self-sustaining through members' premiums and will reinsure through commercial companies for claims in excess of specified amounts for each insured event.

The District continues to carry commercial insurance for all other risks of loss, including workers' compensation insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 11 - RISK MANAGEMENT (Concl'd)

The Unemployment Insurance Fund, an internal service fund, accounts for risk financing of certain unemployment insurance claims serviced by the Arizona Department of Economic Security. Changes in the claims payable liability for the years ended June 30, 2009 and 2008 were as follows:

	Claims Payable Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	Claims Payable at End of Year
<u>Unemployment Insurance</u>				
2009-10	\$ -0-	\$ 111,274	\$ 88,619	\$ 22,655
2008-09	-0-	16,779	16,779	-0-

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.

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	\$ 1,658,697	\$ 131,264	\$ 79,554
2009	1,745,352	209,704	109,221
2008	1,448,439	188,927	89,965

NOTE 13 – SUBSEQUENT EVENT

On July 29, 2010, the District issued School Improvement Bonds, Series A-1 and A-2 in the amount of \$7.6 million, maturing on July 1, 2027, with an average interest rate of 3.0-6.623 percent. The purpose of the bonds is to construct and make certain school improvements and additions, acquire land and make site improvements, purchase pupil transportation vehicles, and pay the costs of issuing the bonds.

(This page intentionally left blank)

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

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other local	\$ 1,620,104	\$ 1,620,104	\$ 1,700,723	\$ 80,619
Property taxes	8,733,268	8,733,268	8,667,610	(65,658)
State aid and grants	14,376,416	14,376,416	17,709,414	3,332,998
Federal aid, grants and reimbursements	2,430,257	2,430,257	2,430,258	1
Total revenues	27,160,045	27,160,045	30,508,005	3,347,960
Expenditures:				
Regular education				
Instruction	12,790,935	10,745,572	12,016,095	(1,270,523)
Support services - students and staff	1,488,900	1,661,666	1,438,284	223,382
Support services - administration	2,580,700	3,052,515	3,060,912	(8,397)
Operation and maintenance of plant services	3,021,500	3,245,791	3,017,757	228,034
Operation of non-instructional services	61,450	66,540	95,731	(29,191)
Total regular education	19,943,485	18,772,084	19,628,779	(856,695)
Special education				
Instruction	4,071,150	5,101,463	3,873,132	1,228,331
Support services - students and staff	1,863,350	1,565,249	1,111,317	453,932
Total special education	5,934,500	6,666,712	4,984,449	1,682,263
Pupil transportation				
Student transportation services	1,024,350	927,625	959,124	(31,499)
Total pupil transportation	1,024,350	927,625	959,124	(31,499)
Special K-3 program override				
Instruction	1,108,348	1,150,930	957,757	193,173
Support services - students and staff	1,108,348	1,150,930	169,629	(169,629)
Total special K-3 program override	1,108,348	1,150,930	1,127,386	23,544
Total expenditures	28,010,683	27,517,351	26,699,738	817,613
Change in fund balances	(850,638)	(357,306)	3,808,267	4,165,573
Fund balances (deficits), July 1, 2009	(3,432,317)	(3,432,317)	(3,342,495)	89,822
(Decrease) in reserve for inventory			(76,250)	(76,250)
Increase in reserve for prepaid items			453,907	453,907
Fund balances (deficits), June 30, 2010	\$ (4,282,955)	\$ (3,789,623)	\$ 843,429	\$ 4,633,052

See accompanying notes to this schedule.

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2010

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

The adopted budget of the District is prepared on a basis consistent with accounting principles generally accepted in the United States of America with the following exceptions: 1) a portion of fiscal year 2010-11 insurance payments were charged against the fiscal year 2009-10 budget, and 2) a portion of the fiscal year 2009-10 insurance payments were budgeted for in fiscal year 2008-09. Consequently, the following adjustments were necessary to present actual expenditures, increase in reserve for prepaid items and fund balance at July 1, 2009 on a budgetary basis in order to provide a meaningful comparison.

	<u>Total</u> <u>Expenditures</u>	<u>Increase in</u> <u>Reserve for</u> <u>Prepaid Items</u>	<u>Fund Balance,</u> <u>July 1, 2009</u>
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	\$ 27,967,998	\$ 259,369	\$ (1,879,697)
Fiscal year 2010-11 insurance payments charged against fiscal year 2009-10 budget	194,538	194,538	
Fiscal year 2009-10 insurance payments budgeted in 2008-09	<u>(1,462,798)</u>	<u> </u>	<u>(1,462,798)</u>
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	<u>\$ 26,699,738</u>	<u>\$ 453,907</u>	<u>\$ (3,342,495)</u>

(This page intentionally left blank)

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

(This page intentionally left blank)

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

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2010

	<u>Budgeted</u> <u>Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Original & Final</u>	<u>Actual</u>	
Revenues:			
Other local	\$ 38,436	\$ 38,436	\$
Property taxes	1,661,954	1,626,085	(35,869)
Total revenues	<u>1,700,390</u>	<u>1,664,521</u>	<u>(35,869)</u>
Expenditures:			
Debt service -			
Interest and fiscal charges		755,719	(755,719)
Principal retirement	4,000,000	1,905,000	2,095,000
Total expenditures	<u>4,000,000</u>	<u>2,660,719</u>	<u>1,339,281</u>
Change in fund balances	<u>(2,299,610)</u>	<u>(96,198)</u>	<u>1,303,412</u>
Fund balances, July 1, 2009	2,731,047	975,103	(1,755,944)
Fund balances (deficits), June 30, 2010	<u>\$ 431,437</u>	<u>\$ (21,095)</u>	<u>\$ (452,532)</u>

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - ADJACENT WAYS
YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Other local	\$ 20,752	\$ 20,752	\$ 24,697	\$ 3,945
Property taxes	2,184,242	2,184,242	2,145,266	(38,976)
Total revenues	<u>2,204,994</u>	<u>2,204,994</u>	<u>2,169,963</u>	<u>(35,031)</u>
Expenditures:				
Capital outlay	2,500,000	2,900,000	1,280,327	1,619,673
Total expenditures	<u>2,500,000</u>	<u>2,900,000</u>	<u>1,280,327</u>	<u>1,619,673</u>
Change in fund balances	<u>(295,006)</u>	<u>(695,006)</u>	<u>889,636</u>	<u>1,584,642</u>
Fund balances, July 1, 2009	1,316,118	1,316,118	1,391,449	75,331
Fund balances, June 30, 2010	<u>\$ 1,021,112</u>	<u>\$ 621,112</u>	<u>\$ 2,281,085</u>	<u>\$ 1,659,973</u>

(This page intentionally left blank)

NON-MAJOR GOVERNMENTAL FUNDS

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	\$ 4,439,537	\$ 3,926,823	\$ 8,366,360
Property taxes receivable		52,365	52,365
Accounts receivable	31,418		31,418
Due from governmental entities	888,769	394,136	1,282,905
Due from other funds	214,547	762,305	976,852
Inventory, at cost	86,360		86,360
Total assets	\$ 5,660,631	\$ 5,135,629	\$ 10,796,260
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 78,698	\$ 31,879	\$ 110,577
Construction contracts payable		44,303	44,303
Due to other funds	214,547		214,547
Deferred revenues	47,078	50,698	97,776
Total liabilities	340,323	126,880	467,203
Fund balances:			
Reserved for inventory	86,360		86,360
Unreserved:			
Undesignated	5,233,948	5,008,749	10,242,697
Total fund balances	5,320,308	5,008,749	10,329,057
Total liabilities and fund balances	\$ 5,660,631	\$ 5,135,629	\$ 10,796,260

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	\$ 666,303	\$ 243,299	\$ 909,602
Property taxes		444,651	444,651
State aid and grants	1,678,005	1,338,065	3,016,070
Federal aid, grants and reimbursements	<u>5,991,326</u>		<u>5,991,326</u>
Total revenues	<u>8,335,634</u>	<u>2,026,015</u>	<u>10,361,649</u>
Expenditures:			
Current -			
Instruction	2,958,493		2,958,493
Support services - students and staff	1,457,478		1,457,478
Support services - administration	413,979		413,979
Operation and maintenance of plant services	25,245		25,245
Student transportation services	91,433		91,433
Operation of non-instructional services	2,738,087		2,738,087
Capital outlay	306,593	5,255,195	5,561,788
Debt service -			
Interest and fiscal charges		10,145	10,145
Principal retirement		<u>57,548</u>	<u>57,548</u>
Total expenditures	<u>7,991,308</u>	<u>5,322,888</u>	<u>13,314,196</u>
Excess (deficiency) of revenues over expenditures	<u>344,326</u>	<u>(3,296,873)</u>	<u>(2,952,547)</u>
Other financing sources (uses):			
Transfer in	464,537		464,537
Transfer out	(464,537)		(464,537)
Capital lease agreements		938,038	938,038
Total other financing sources (uses)		<u>938,038</u>	<u>938,038</u>
Change in fund balances	<u>344,326</u>	<u>(2,358,835)</u>	<u>(2,014,509)</u>
Fund balances, beginning of year	4,961,220	7,367,584	12,328,804
Increase in reserve for inventory	14,762		14,762
Fund balances, end of year	<u>\$ 5,320,308</u>	<u>\$ 5,008,749</u>	<u>\$ 10,329,057</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.

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

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

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

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

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

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

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

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

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

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

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

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

Extended School Year – Pupils with Disabilities - to account for financial assistance for year-round services for the special education program.

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

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.

Family Literacy Pilot Program - to account for financial assistance received from the State for family literacy programs.

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

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

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

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

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

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

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

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

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

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

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

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

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.

Unemployment Insurance - to account for unemployment insurance contributions using the reimbursement method of accounting to the Department of Economic Security.

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.

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

(This page intentionally left blank)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2010

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>Structured English Immersion</u>	<u>Compensatory Instruction</u>
<u>ASSETS</u>				
Cash and investments	\$ 768,827	\$ 369,996	\$ 1,689	\$ 2,854
Accounts receivable				
Due from governmental entities	396,461	49,579		
Due from other funds	214,547			
Inventory, at cost				
Total assets	<u>\$ 1,379,835</u>	<u>\$ 419,575</u>	<u>\$ 1,689</u>	<u>\$ 2,854</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$	\$	\$	\$
Due to other funds				
Deferred revenues			1,689	2,854
Total liabilities			<u>1,689</u>	<u>2,854</u>
Fund balances:				
Reserved for inventory				
Unreserved:				
Undesignated	1,379,835	419,575		
Total fund balances	<u>1,379,835</u>	<u>419,575</u>		
Total liabilities and fund balances	<u>\$ 1,379,835</u>	<u>\$ 419,575</u>	<u>\$ 1,689</u>	<u>\$ 2,854</u>

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Promote Informed Parent Choice</u>	<u>Limited English and Immigrant Students</u>	<u>Special Education Grants</u>
\$	\$ 9,541	\$	\$ 5,705	\$	\$
4,229		19,547		38,592	161,413
<u>\$ 4,229</u>	<u>\$ 9,541</u>	<u>\$ 19,547</u>	<u>\$ 5,705</u>	<u>\$ 38,592</u>	<u>\$ 161,413</u>
\$ 3,962	\$	\$	\$	\$	\$ 5,321
267		19,547		38,592	156,092
	9,541		5,705		
<u>4,229</u>	<u>9,541</u>	<u>19,547</u>	<u>5,705</u>	<u>38,592</u>	<u>161,413</u>
<u>\$ 4,229</u>	<u>\$ 9,541</u>	<u>\$ 19,547</u>	<u>\$ 5,705</u>	<u>\$ 38,592</u>	<u>\$ 161,413</u>

(Continued)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2010
(Continued)

	Homeless Education	Medicaid Reimbursement	Other Federal Projects	Early Childhood Block Grant
<u>ASSETS</u>				
Cash and investments	\$	\$ 1,250,722	\$ 22,538	\$
Accounts receivable				
Due from governmental entities	18		187,493	31
Due from other funds				
Inventory, at cost				
Total assets	\$ 18	\$ 1,250,722	\$ 210,031	\$ 31
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$	\$ 12,640	\$	\$
Due to other funds	18			31
Deferred revenues			22,538	
Total liabilities	18	12,640	22,538	31
Fund balances:				
Reserved for inventory				
Unreserved:				
Undesignated		1,238,082	187,493	
Total fund balances		1,238,082	187,493	
Total liabilities and fund balances	\$ 18	\$ 1,250,722	\$ 210,031	\$ 31

<u>Academic Contests</u>	<u>Gifted</u>	<u>Family Literacy Program</u>	<u>School Plant</u>	<u>Food Service</u>	<u>Civic Center</u>
\$ 1,843	\$ 14	\$ 2,894	\$ 23,165	\$ 543,983	\$ 71,377
				31,406	30,868
				86,360	
<u>\$ 1,843</u>	<u>\$ 14</u>	<u>\$ 2,894</u>	<u>\$ 23,165</u>	<u>\$ 661,749</u>	<u>\$ 102,245</u>
\$	\$	\$	\$	\$ 48,455	\$
1,843	14	2,894			
<u>1,843</u>	<u>14</u>	<u>2,894</u>		<u>48,455</u>	
				86,360	
			<u>23,165</u>	<u>526,934</u>	<u>102,245</u>
			<u>23,165</u>	<u>613,294</u>	<u>102,245</u>
<u>\$ 1,843</u>	<u>\$ 14</u>	<u>\$ 2,894</u>	<u>\$ 23,165</u>	<u>\$ 661,749</u>	<u>\$ 102,245</u>

(Continued)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2010
(Continued)

	Community School	Auxiliary Operations	Extracurricular Activities Fees Tax Credit	Gifts and Donations
<u>ASSETS</u>				
Cash and investments	\$ 11,119	\$ 30,657	\$ 41,033	\$ 131,514
Accounts receivable				550
Due from governmental entities				
Due from other funds				
Inventory, at cost				
Total assets	\$ 11,119	\$ 30,657	\$ 41,033	\$ 132,064
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$	\$	\$	\$ 1,939
Due to other funds				
Deferred revenues				
Total liabilities				1,939
Fund balances:				
Reserved for inventory				
Unreserved:				
Undesignated	11,119	30,657	41,033	130,125
Total fund balances	11,119	30,657	41,033	130,125
Total liabilities and fund balances	\$ 11,119	\$ 30,657	\$ 41,033	\$ 132,064

<u>Fingerprint</u>	<u>School Opening</u>	<u>Insurance Proceeds</u>	<u>Textbooks</u>	<u>Litigation Recovery</u>	<u>Indirect Costs</u>
\$ 382	\$ 2,878	\$ 2,278	\$ 18,449	\$ 61,551	\$ 1,049,019
<u>\$ 382</u>	<u>\$ 2,878</u>	<u>\$ 2,278</u>	<u>\$ 18,449</u>	<u>\$ 61,551</u>	<u>\$ 1,049,019</u>
\$	\$	\$	\$	\$	\$ 6,381
					<u>6,381</u>
<u>382</u>	<u>2,878</u>	<u>2,278</u>	<u>18,449</u>	<u>61,551</u>	<u>1,042,638</u>
<u>382</u>	<u>2,878</u>	<u>2,278</u>	<u>18,449</u>	<u>61,551</u>	<u>1,042,638</u>
<u>\$ 382</u>	<u>\$ 2,878</u>	<u>\$ 2,278</u>	<u>\$ 18,449</u>	<u>\$ 61,551</u>	<u>\$ 1,049,019</u>

(Continued)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2010
(Concluded)

	<u>Insurance Refund</u>	<u>School Bus Advertisement</u>	<u>Totals</u>
<u>ASSETS</u>			
Cash and investments	\$ 14,640	\$ 869	\$ 4,439,537
Accounts receivable			31,418
Due from governmental entities			888,769
Due from other funds			214,547
Inventory, at cost			86,360
Total assets	<u>\$ 14,640</u>	<u>\$ 869</u>	<u>\$ 5,660,631</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$ 78,698
Due to other funds			214,547
Deferred revenues			47,078
Total liabilities			<u>340,323</u>
Fund balances:			
Reserved for inventory			86,360
Unreserved:			
Undesignated	14,640	869	5,233,948
Total fund balances	<u>14,640</u>	<u>869</u>	<u>5,320,308</u>
Total liabilities and fund balances	<u>\$ 14,640</u>	<u>\$ 869</u>	<u>\$ 5,660,631</u>

(This page intentionally left blank)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	\$	\$ 1,993	\$ 5,974
State aid and grants	1,285,295	177,575	
Federal aid, grants and reimbursements			
Total revenues	1,285,295	179,568	5,974
Expenditures:			
Current -			
Instruction	1,519,661	94,051	5,974
Support services - students and staff	21,548	129,693	
Support services - administration		37,526	
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	1,541,209	261,270	5,974
Excess (deficiency) of revenues over expenditures	(255,914)	(81,702)	
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	(255,914)	(81,702)	
Fund balances, beginning of year	1,635,749	501,277	
Increase in reserve for inventory			
Fund balances, end of year	\$ 1,379,835	\$ 419,575	\$

Structured English Immersion	Compensatory Instruction	Title I Grants	Professional Development and Technology Grants	Title IV Grants	Limited English and Immigrant Students
\$ 86,400	\$ 55,320				
		793,050	74,798	130,264	272,720
<u>86,400</u>	<u>55,320</u>	<u>793,050</u>	<u>74,798</u>	<u>130,264</u>	<u>272,720</u>
86,400	55,320	366,333		93,362	121,470
		315,085	55,002	27,177	104,577
		74,698	11,069	909	601
		7,059			2,773
		19,620	7,422	6,166	41,052
<u>86,400</u>	<u>55,320</u>	<u>782,795</u>	<u>73,493</u>	<u>127,614</u>	<u>270,473</u>
		10,255	1,305	2,650	2,247
		(10,255)	(1,305)	(2,650)	(2,247)
		(10,255)	(1,305)	(2,650)	(2,247)
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

(Continued)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Continued)

	Special Education Grants	Homeless Education	Medicaid Reimbursement
Revenues:			
Other local	\$	\$	\$ 32,823
State aid and grants			
Federal aid, grants and reimbursements	1,241,537	3,439	476,450
Total revenues	1,241,537	3,439	509,273
Expenditures:			
Current -			
Instruction	427,938	2,717	16,591
Support services - students and staff	744,233	668	41,177
Support services - administration	600		3,401
Operation and maintenance of plant services			
Student transportation services	51,539		
Operation of non-instructional services			
Capital outlay			
Total expenditures	1,224,310	3,385	61,169
Excess (deficiency) of revenues over expenditures	17,227	54	448,104
Other financing sources (uses):			
Transfer in			
Transfer out	(17,227)	(54)	
Total other financing sources (uses)	(17,227)	(54)	
Change in fund balances			448,104
Fund balances, beginning of year			789,978
Increase in reserve for inventory			
Fund balances, end of year	\$	\$	\$ 1,238,082

Other Federal Projects	Early Childhood Block Grant	Gifted	School Plant	Food Service	Civic Center
\$	\$	\$	\$	\$	\$
	67,555	5,860	6,929	342,938	81,865
239,136				2,759,932	
<u>239,136</u>	<u>67,555</u>	<u>5,860</u>	<u>6,929</u>	<u>3,102,870</u>	<u>81,865</u>
9,914	53,327	150			
3,417	9,881	5,020			
8,244					
		690			20,831
				2,700,973	
176,588	4,347			25,932	11,252
<u>198,163</u>	<u>67,555</u>	<u>5,860</u>		<u>2,726,905</u>	<u>32,083</u>
<u>40,973</u>			<u>6,929</u>	<u>375,965</u>	<u>49,782</u>
				(430,799)	
				(430,799)	
<u>40,973</u>			<u>6,929</u>	<u>(54,834)</u>	<u>49,782</u>
146,520			16,236	653,366	52,463
				14,762	
<u>\$ 187,493</u>	<u>\$</u>	<u>\$</u>	<u>\$ 23,165</u>	<u>\$ 613,294</u>	<u>\$ 102,245</u>

(Continued)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Continued)

	Community School	Auxiliary Operations	Extracurricular Activities Fees Tax Credit
Revenues:			
Other local	\$ 3,466	\$ 56,760	\$ 25,422
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	3,466	56,760	25,422
Expenditures:			
Current -			
Instruction		15,930	5,906
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			11,037
Operation of non-instructional services	163	36,951	
Capital outlay			
Total expenditures	163	52,881	16,943
Excess (deficiency) of revenues over expenditures	3,303	3,879	8,479
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	3,303	3,879	8,479
Fund balances, beginning of year	7,816	26,778	32,554
Increase in reserve for inventory			
Fund balances, end of year	\$ 11,119	\$ 30,657	\$ 41,033

<u>Gifts and Donations</u>	<u>Fingerprint</u>	<u>School Opening</u>	<u>Insurance Proceeds</u>	<u>Textbooks</u>	<u>Litigation Recovery</u>
\$ 78,286	\$ 671	\$ 436	\$ 16,097	\$ 1,674	\$
<u>78,286</u>	<u>671</u>	<u>436</u>	<u>16,097</u>	<u>1,674</u>	
45,208					37,491
2,255	792	117,282			6,257
5,456	48		3,754		
			12,361		
<u>10,434</u>					<u>3,780</u>
<u>63,353</u>	<u>840</u>	<u>117,282</u>	<u>16,115</u>		<u>47,528</u>
<u>14,933</u>	<u>(169)</u>	<u>(116,846)</u>	<u>(18)</u>	<u>1,674</u>	<u>(47,528)</u>
<u>14,933</u>	<u>(169)</u>	<u>(116,846)</u>	<u>(18)</u>	<u>1,674</u>	<u>(47,528)</u>
115,192	551	119,724	2,296	16,775	109,079
<u>\$ 130,125</u>	<u>\$ 382</u>	<u>\$ 2,878</u>	<u>\$ 2,278</u>	<u>\$ 18,449</u>	<u>\$ 61,551</u>

(Continued)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Concluded)

	Indirect Costs	Insurance Refund	Grants and Gifts to Teachers
Revenues:			
Other local	\$ 9,135	\$ 215	\$ 750
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	9,135	215	750
Expenditures:			
Current -			
Instruction			750
Support services - students and staff			
Support services - administration	150,345		
Operation and maintenance of plant services	660		
Student transportation services	470		
Operation of non-instructional services			
Capital outlay			
Total expenditures	151,475		750
Excess (deficiency) of revenues over expenditures	(142,340)	215	
Other financing sources (uses):			
Transfer in	464,537		
Transfer out			
Total other financing sources (uses)	464,537		
Change in fund balances	322,197	215	
Fund balances, beginning of year	720,441	14,425	
Increase in reserve for inventory			
Fund balances, end of year	\$ 1,042,638	\$ 14,640	\$

School Bus Advertisement	Totals
\$ 869	\$ 666,303
	1,678,005
	5,991,326
<u>869</u>	<u>8,335,634</u>
	2,958,493
	1,457,478
	413,979
	25,245
	91,433
	2,738,087
	<u>306,593</u>
	<u>7,991,308</u>
<u>869</u>	<u>344,326</u>
	464,537
	<u>(464,537)</u>
<u>869</u>	<u>344,326</u>
	4,961,220
	14,762
<u>\$ 869</u>	<u>\$ 5,320,308</u>

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010

	Classroom Site		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants		1,285,295	1,285,295
Federal aid, grants and reimbursements			
Total revenues		<u>1,285,295</u>	<u>1,285,295</u>
Expenditures:			
Current -			
Instruction	3,784,827	1,519,661	2,265,166
Support services - students and staff	27,370	21,548	5,822
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>3,812,197</u>	<u>1,541,209</u>	<u>2,270,988</u>
Excess (deficiency) of revenues over expenditures	<u>(3,812,197)</u>	<u>(255,914)</u>	<u>3,556,283</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	<u>(3,812,197)</u>	<u>(255,914)</u>	<u>3,556,283</u>
Fund balances, July 1, 2009		1,635,749	1,635,749
Increase in reserve for inventory			
Fund balances (deficits), June 30, 2010	<u>\$ (3,812,197)</u>	<u>\$ 1,379,835</u>	<u>\$ 5,192,032</u>

Instructional Improvement		
Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,993	\$ 1,993
	177,575	177,575
	179,568	179,568
269,982	94,051	175,931
372,296	129,693	242,603
107,722	37,526	70,196
750,000	261,270	488,730
(750,000)	(81,702)	668,298
(750,000)	(81,702)	668,298
	501,277	501,277
\$ (750,000)	\$ 419,575	\$ 1,169,575

County, City, and Town Grants		
Budget	Actual	Variance - Positive (Negative)
\$	\$ 5,974	\$ 5,974
	5,974	5,974
10,000	5,974	4,026
10,000	5,974	4,026
(10,000)		10,000
(10,000)		10,000
\$ (10,000)	\$	\$ 10,000

(Continued)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Continued)

	Structured English Immersion		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants	350,000	86,400	(263,600)
Federal aid, grants and reimbursements			
Total revenues	350,000	86,400	(263,600)
Expenditures:			
Current -			
Instruction	350,000	86,400	263,600
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	350,000	86,400	263,600
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	\$	\$	\$

Compensatory Instruction		
Budget	Actual	Variance - Positive (Negative)
\$ 75,000	\$ 55,320	\$ (19,680)
<u>75,000</u>	<u>55,320</u>	<u>(19,680)</u>
75,000	55,320	19,680
<u>75,000</u>	<u>55,320</u>	<u>19,680</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>

Title I Grants		
Budget	Actual	Variance - Positive (Negative)
\$ 1,000,000	\$ 793,050	\$ (206,950)
<u>1,000,000</u>	<u>793,050</u>	<u>(206,950)</u>
461,929	366,333	95,596
397,308	315,085	82,223
94,191	74,698	19,493
8,901	7,059	1,842
24,740	19,620	5,120
<u>987,069</u>	<u>782,795</u>	<u>204,274</u>
12,931	10,255	(2,676)
(12,931)	(10,255)	2,676
<u>(12,931)</u>	<u>(10,255)</u>	<u>2,676</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>

(Continued)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Continued)

	Professional Development and Technology Grants		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	150,000	74,798	(75,202)
Total revenues	150,000	74,798	(75,202)
Expenditures:			
Current -			
Instruction			
Support services - students and staff	110,301	55,002	55,299
Support services - administration	22,198	11,069	11,129
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	14,884	7,422	7,462
Total expenditures	147,383	73,493	73,890
Excess (deficiency) of revenues over expenditures	2,617	1,305	(1,312)
Other financing sources (uses):			
Transfer in			
Transfer out	(2,617)	(1,305)	1,312
Total other financing sources (uses)	(2,617)	(1,305)	1,312
Change in fund balances			
Fund balances, July 1, 2009			
Increase in reserve for inventory			
Fund balances (deficits), June 30, 2010	\$	\$	\$

Title IV Grants		
Budget	Actual	Variance - Positive (Negative)
\$	\$	\$
150,000	130,264	(19,736)
150,000	130,264	(19,736)
107,507	93,362	14,145
31,295	27,177	4,118
1,047	909	138
7,100	6,166	934
146,949	127,614	19,335
3,051	2,650	(401)
(3,051)	(2,650)	401
(3,051)	(2,650)	401
\$	\$	\$

Promote Informed Parent Choice		
Budget	Actual	Variance - Positive (Negative)
\$	\$	\$
3,000		(3,000)
3,000		(3,000)
3,000		3,000
3,000		3,000
3,000		3,000
3,000		3,000
\$	\$	\$

(Continued)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	175,000	272,720	97,720
Total revenues	175,000	272,720	97,720
Expenditures:			
Current -			
Instruction	77,945	121,470	(43,525)
Support services - students and staff	67,105	104,577	(37,472)
Support services - administration	387	601	(214)
Operation and maintenance of plant services			
Student transportation services	1,779	2,773	(994)
Operation of non-instructional services			
Capital outlay	26,342	41,052	(14,710)
Total expenditures	173,558	270,473	(96,915)
Excess (deficiency) of revenues over expenditures	1,442	2,247	805
Other financing sources (uses):			
Transfer in			
Transfer out	(1,442)	(2,247)	(805)
Total other financing sources (uses)	(1,442)	(2,247)	(805)
Change in fund balances			
Fund balances, July 1, 2009			
Increase in reserve for inventory			
Fund balances (deficits), June 30, 2010	\$	\$	\$

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

Special Education Grants			Homeless Education		
Budget	Actual	Variance - Positive (Negative)	Budget*	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
1,000,000	1,241,537	241,537		3,439	3,439
1,000,000	1,241,537	241,537		3,439	3,439
344,684	427,938	(83,254)		2,717	(2,717)
599,445	744,233	(144,788)		668	(668)
483	600	(117)			
41,512	51,539	(10,027)			
986,124	1,224,310	(238,186)		3,385	(3,385)
13,876	17,227	3,351		54	54
(13,876)	(17,227)	(3,351)		(54)	(54)
(13,876)	(17,227)	(3,351)		(54)	(54)
\$	\$	\$	\$	\$	\$

(Continued)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Continued)

	Medicaid Reimbursement		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 32,823	\$ 32,823
State aid and grants			
Federal aid, grants and reimbursements	750,000	476,450	(273,550)
Total revenues	750,000	509,273	(240,727)
Expenditures:			
Current -			
Instruction	203,424	16,591	186,833
Support services - students and staff	504,876	41,177	463,699
Support services - administration	41,700	3,401	38,299
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	750,000	61,169	688,831
Excess (deficiency) of revenues over expenditures		448,104	448,104
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances		448,104	448,104
Fund balances, July 1, 2009		789,978	789,978
Increase in reserve for inventory			
Fund balances (deficits), June 30, 2010	\$	\$ 1,238,082	\$ 1,238,082

Other Federal Projects		
Budget	Actual	Variance - Positive (Negative)
\$	\$	\$
300,000	239,136	(60,864)
300,000	239,136	(60,864)
15,009	9,914	5,095
5,173	3,417	1,756
12,481	8,244	4,237
267,337	176,588	90,749
300,000	198,163	101,837
	40,973	40,973
	40,973	40,973
	146,520	146,520
\$	\$ 187,493	\$ 187,493

Early Childhood Block Grant		
Budget	Actual	Variance - Positive (Negative)
\$ 180,000	\$	\$ (180,000)
	67,555	67,555
180,000	67,555	(112,445)
142,090	53,327	88,763
26,328	9,881	16,447
11,582	4,347	7,235
180,000	67,555	112,445
\$	\$	\$

(Continued)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Continued)

	Extended School Year - Pupils with Disabilities		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants	65,000		(65,000)
Federal aid, grants and reimbursements			
Total revenues	<u>65,000</u>		<u>(65,000)</u>
Expenditures:			
Current -			
Instruction	65,000		65,000
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>65,000</u>		<u>65,000</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>

Chemical Abuse Prevention Programs			Gifted		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 4,000	\$	\$ (4,000)	\$ 20,000	\$ 5,860	\$ (14,140)
<u>4,000</u>		<u>(4,000)</u>	<u>20,000</u>	<u>5,860</u>	<u>(14,140)</u>
4,000		4,000	512	150	362
			17,133	5,020	12,113
			2,355	690	1,665
<u>4,000</u>		<u>4,000</u>	<u>20,000</u>	<u>5,860</u>	<u>14,140</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

(Continued)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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 State Projects		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants	75,000		(75,000)
Federal aid, grants and reimbursements			
Total revenues	<u>75,000</u>		<u>(75,000)</u>
Expenditures:			
Current -			
Instruction	75,000		75,000
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>75,000</u>		<u>75,000</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>

School Plant			Food Service		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 6,918	\$ 6,929	\$ 11	\$ 485,455	\$ 342,938	\$ (142,517)
<u>6,918</u>	<u>6,929</u>	<u>11</u>	<u>2,505,992</u>	<u>2,759,932</u>	<u>253,940</u>
			<u>2,991,447</u>	<u>3,102,870</u>	<u>111,423</u>
			3,421,439	2,700,973	720,466
			<u>32,849</u>	<u>25,932</u>	<u>6,917</u>
			<u>3,454,288</u>	<u>2,726,905</u>	<u>727,383</u>
<u>6,918</u>	<u>6,929</u>	<u>11</u>	<u>(462,841)</u>	<u>375,965</u>	<u>838,806</u>
			<u>(545,712)</u>	<u>(430,799)</u>	<u>114,913</u>
			<u>(545,712)</u>	<u>(430,799)</u>	<u>114,913</u>
<u>6,918</u>	<u>6,929</u>	<u>11</u>	<u>(1,008,553)</u>	<u>(54,834)</u>	<u>953,719</u>
16,246	16,236	(10)	566,500	653,366	86,866
				14,762	14,762
<u>\$ 23,164</u>	<u>\$ 23,165</u>	<u>\$ 1</u>	<u>\$ (442,053)</u>	<u>\$ 613,294</u>	<u>\$ 1,055,347</u>

(Continued)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Continued)

	Civic Center		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 50,997	\$ 81,865	\$ 30,868
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	50,997	81,865	30,868
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services	162,321	20,831	141,490
Student transportation services			
Operation of non-instructional services			
Capital outlay	87,679	11,252	76,427
Total expenditures	250,000	32,083	217,917
Excess (deficiency) of revenues over expenditures	(199,003)	49,782	248,785
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	(199,003)	49,782	248,785
Fund balances, July 1, 2009	52,463	52,463	
Increase in reserve for inventory			
Fund balances (deficits), June 30, 2010	\$ (146,540)	\$ 102,245	\$ 248,785

Community School			Auxiliary Operations		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 1,732	\$ 3,466	\$ 1,734	\$ 3	\$ 56,760	\$ 56,757
<u>1,732</u>	<u>3,466</u>	<u>1,734</u>	<u>3</u>	<u>56,760</u>	<u>56,757</u>
			75,311	15,930	59,381
100,000	163	99,837	174,689	36,951	137,738
<u>100,000</u>	<u>163</u>	<u>99,837</u>	<u>250,000</u>	<u>52,881</u>	<u>197,119</u>
<u>(98,268)</u>	<u>3,303</u>	<u>101,571</u>	<u>(249,997)</u>	<u>3,879</u>	<u>253,876</u>
<u>(98,268)</u>	<u>3,303</u>	<u>101,571</u>	<u>(249,997)</u>	<u>3,879</u>	<u>253,876</u>
14,694	7,816	(6,878)	214	26,778	26,564
<u>\$ (83,574)</u>	<u>\$ 11,119</u>	<u>\$ 94,693</u>	<u>\$ (249,783)</u>	<u>\$ 30,657</u>	<u>\$ 280,440</u>

(Continued)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Continued)

	Extracurricular Activities Fees Tax Credit		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 26,025	\$ 25,422	\$ (603)
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	26,025	25,422	(603)
Expenditures:			
Current -			
Instruction	69,716	5,906	63,810
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services	130,284	11,037	119,247
Operation of non-instructional services			
Capital outlay			
Total expenditures	200,000	16,943	183,057
Excess (deficiency) of revenues over expenditures	(173,975)	8,479	182,454
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	(173,975)	8,479	182,454
Fund balances, July 1, 2009	32,574	32,554	(20)
Increase in reserve for inventory			
Fund balances (deficits), June 30, 2010	\$ (141,401)	\$ 41,033	\$ 182,434

Gifts and Donations			Fingerprint		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 80,921	\$ 78,286	\$ (2,635)	\$ 742	\$ 671	\$ (71)
<u>80,921</u>	<u>78,286</u>	<u>(2,635)</u>	<u>742</u>	<u>671</u>	<u>(71)</u>
142,718	45,208	97,510			
7,119	2,255	4,864	4,714	792	3,922
17,224	5,456	11,768	286	48	238
32,939	10,434	22,505			
<u>200,000</u>	<u>63,353</u>	<u>136,647</u>	<u>5,000</u>	<u>840</u>	<u>4,160</u>
<u>(119,079)</u>	<u>14,933</u>	<u>134,012</u>	<u>(4,258)</u>	<u>(169)</u>	<u>4,089</u>
<u>(119,079)</u>	<u>14,933</u>	<u>134,012</u>	<u>(4,258)</u>	<u>(169)</u>	<u>4,089</u>
114,115	115,192	1,077	479	551	72
<u>\$ (4,964)</u>	<u>\$ 130,125</u>	<u>\$ 135,089</u>	<u>\$ (3,779)</u>	<u>\$ 382</u>	<u>\$ 4,161</u>

(Continued)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Continued)

	School Opening		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 437	\$ 436	\$ (1)
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>437</u>	<u>436</u>	<u>(1)</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration	130,000	117,282	12,718
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>130,000</u>	<u>117,282</u>	<u>12,718</u>
Excess (deficiency) of revenues over expenditures	<u>(129,563)</u>	<u>(116,846)</u>	<u>12,717</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	<u>(129,563)</u>	<u>(116,846)</u>	<u>12,717</u>
Fund balances, July 1, 2009	119,724	119,724	
Increase in reserve for inventory			
Fund balances (deficits), June 30, 2010	<u>\$ (9,839)</u>	<u>\$ 2,878</u>	<u>\$ 12,717</u>

Insurance Proceeds		
Budget	Actual	Variance - Positive (Negative)
\$ 16,096	\$ 16,097	\$ 1
<u>16,096</u>	<u>16,097</u>	<u>1</u>
11,648	3,754	7,894
38,352	12,361	25,991
<u>50,000</u>	<u>16,115</u>	<u>33,885</u>
<u>(33,904)</u>	<u>(18)</u>	<u>33,886</u>
<u>(33,904)</u>	<u>(18)</u>	<u>33,886</u>
2,296	2,296	
<u>\$ (31,608)</u>	<u>\$ 2,278</u>	<u>\$ 33,886</u>

Textbooks		
Budget	Actual	Variance - Positive (Negative)
\$ 1,674	\$ 1,674	\$
<u>1,674</u>	<u>1,674</u>	
20,000		20,000
<u>20,000</u>		<u>20,000</u>
<u>(18,326)</u>	<u>1,674</u>	<u>20,000</u>
<u>(18,326)</u>	<u>1,674</u>	<u>20,000</u>
16,775	16,775	
<u>\$ (1,551)</u>	<u>\$ 18,449</u>	<u>\$ 20,000</u>

(Continued)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues			
Expenditures:			
Current -			
Instruction	197,205	37,491	159,714
Support services - students and staff			
Support services - administration	32,912	6,257	26,655
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	19,883	3,780	16,103
Total expenditures	250,000	47,528	202,472
Excess (deficiency) of revenues over expenditures	(250,000)	(47,528)	202,472
Other financing sources (uses):			
Transfer in	24,670		(24,670)
Transfer out			
Total other financing sources (uses)	24,670		(24,670)
Change in fund balances	(225,330)	(47,528)	177,802
Fund balances, July 1, 2009	719,736	109,079	(610,657)
Increase in reserve for inventory			
Fund balances (deficits), June 30, 2010	\$ 494,406	\$ 61,551	\$ (432,855)

Indirect Costs			Unemployment Insurance		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 9,135	\$ 9,135	\$ 2,802	\$	\$ (2,802)
	<u>9,135</u>	<u>9,135</u>	<u>2,802</u>		<u>(2,802)</u>
744,405	150,345	594,060			
3,268	660	2,608			
2,327	470	1,857			
<u>750,000</u>	<u>151,475</u>	<u>598,525</u>			
<u>(750,000)</u>	<u>(142,340)</u>	<u>607,660</u>	<u>2,802</u>		<u>(2,802)</u>
750,000	464,537	(285,463)			
<u>750,000</u>	<u>464,537</u>	<u>(285,463)</u>			
	<u>322,197</u>	<u>322,197</u>	<u>2,802</u>		<u>(2,802)</u>
	720,441	720,441	192,534		(192,534)
<u>\$</u>	<u>\$ 1,042,638</u>	<u>\$ 1,042,638</u>	<u>\$ 195,336</u>	<u>\$</u>	<u>\$ (195,336)</u>

(Continued)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Continued)

	Insurance Refund		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 214	\$ 215	\$ 1
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	214	215	1
Expenditures:			
Current -			
Instruction	25,000		25,000
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	25,000		25,000
Excess (deficiency) of revenues over expenditures	(24,786)	215	25,001
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	(24,786)	215	25,001
Fund balances, July 1, 2009	14,425	14,425	
Increase in reserve for inventory			
Fund balances (deficits), June 30, 2010	\$ (10,361)	\$ 14,640	\$ 25,001

Grants and Gifts to Teachers		
Budget	Actual	Variance - Positive (Negative)
\$ 750	\$ 750	\$
<u>750</u>	<u>750</u>	
	750	(750)
<u>750</u>	<u>750</u>	<u>(750)</u>
<u>750</u>		<u>(750)</u>
<u>750</u>		<u>(750)</u>
<u>\$ 750</u>	<u>\$</u>	<u>\$ (750)</u>

School Bus Advertisement		
Budget	Actual	Variance - Positive (Negative)
\$ 869	\$ 869	\$
<u>869</u>	<u>869</u>	
<u>869</u>	<u>869</u>	
<u>869</u>	<u>869</u>	
<u>869</u>	<u>869</u>	
<u>\$ 869</u>	<u>\$</u>	<u>\$</u>

(Continued)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Concluded)

	Totals		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 855,635	\$ 666,303	\$ (189,332)
State aid and grants	589,000	1,678,005	1,089,005
Federal aid, grants and reimbursements	6,033,992	5,991,326	(42,666)
Total revenues	7,478,627	8,335,634	857,007
Expenditures:			
Current -			
Instruction	6,519,859	2,958,493	3,561,366
Support services - students and staff	2,158,630	1,457,478	701,152
Support services - administration	1,199,359	413,979	785,380
Operation and maintenance of plant services	177,237	25,245	151,992
Student transportation services	243,020	91,433	151,587
Operation of non-instructional services	3,696,128	2,738,087	958,041
Capital outlay	525,335	306,593	218,742
Total expenditures	14,519,568	7,991,308	6,528,260
Excess (deficiency) of revenues over expenditures	(7,040,941)	344,326	7,385,267
Other financing sources (uses):			
Transfer in	774,670	464,537	(310,133)
Transfer out	(579,629)	(464,537)	115,092
Total other financing sources (uses)	195,041		(195,041)
Change in fund balances	(6,845,900)	344,326	7,190,226
Fund balances, July 1, 2009	1,862,775	4,961,220	3,098,445
Increase in reserve for inventory		14,762	14,762
Fund balances (deficits), June 30, 2010	\$ (4,983,125)	\$ 5,320,308	\$ 10,303,433

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.

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

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

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

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.

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2010

	Unrestricted Capital Outlay	Soft Capital Allocation	Bond Building Fund	Gifts and Donations
<u>ASSETS</u>				
Cash and investments	\$ 1,075,952	\$ 1,004,774	\$ 1,203,773	\$ 166,131
Property taxes receivable	52,365			
Due from governmental entities	152,537	241,599		
Due from other funds	762,305			
Total assets	\$ 2,043,159	\$ 1,246,373	\$ 1,203,773	\$ 166,131
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 31,879	\$	\$	\$
Construction contracts payable			44,303	
Deferred revenues	50,698			
Total liabilities	82,577		44,303	
Fund balances:				
Unreserved:				
Undesignated	1,960,582	1,246,373	1,159,470	166,131
Total fund balances	1,960,582	1,246,373	1,159,470	166,131
Total liabilities and fund balances	\$ 2,043,159	\$ 1,246,373	\$ 1,203,773	\$ 166,131

Building Renewal	New School Facilities	Totals
\$ 3,800	\$ 472,393	\$ 3,926,823
		52,365
		394,136
		762,305
<u>\$ 3,800</u>	<u>\$ 472,393</u>	<u>\$ 5,135,629</u>

\$	\$	\$ 31,879
		44,303
		50,698
		<u>126,880</u>

<u>3,800</u>	<u>472,393</u>	<u>5,008,749</u>
<u>3,800</u>	<u>472,393</u>	<u>5,008,749</u>
<u>\$ 3,800</u>	<u>\$ 472,393</u>	<u>\$ 5,135,629</u>

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2010

	Unrestricted Capital Outlay	Soft Capital Allocation	Bond Building Fund
Revenues:			
Other local	\$ 95,952	\$ 84,979	\$ 1,280
Property taxes	433,082	11,569	
State aid and grants	544,727	793,338	
Total revenues	1,073,761	889,886	1,280
Expenditures:			
Capital outlay	1,590,228	117,998	3,503,141
Debt service -			
Interest and fiscal charges	10,145		
Principal retirement	57,548		
Total expenditures	1,657,921	117,998	3,503,141
Excess (deficiency) of revenues over expenditures	(584,160)	771,888	(3,501,861)
Other financing sources (uses):			
Capital lease agreements	938,038		
Total other financing sources (uses)	938,038		
Change in fund balances	353,878	771,888	(3,501,861)
Fund balances, beginning of year	1,606,704	474,485	4,661,331
Fund balances, end of year	\$ 1,960,582	\$ 1,246,373	\$ 1,159,470

<u>Gifts and Donations</u>	<u>Building Renewal</u>	<u>New School Facilities</u>	<u>Totals</u>
\$ 55,000	\$ 53	\$ 6,035	\$ 243,299
			444,651
			1,338,065
<u>55,000</u>	<u>53</u>	<u>6,035</u>	<u>2,026,015</u>
		43,828	5,255,195
			10,145
			57,548
		<u>43,828</u>	<u>5,322,888</u>
<u>55,000</u>	<u>53</u>	<u>(37,793)</u>	<u>(3,296,873)</u>
			938,038
			938,038
<u>55,000</u>	<u>53</u>	<u>(37,793)</u>	<u>(2,358,835)</u>
111,131	3,747	510,186	7,367,584
<u>\$ 166,131</u>	<u>\$ 3,800</u>	<u>\$ 472,393</u>	<u>\$ 5,008,749</u>

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2010

	Unrestricted Capital Outlay		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 65,984	\$ 95,952	\$ 29,968
Property taxes	386,287	433,082	46,795
State aid and grants	514,328	544,727	30,399
Total revenues	<u>966,599</u>	<u>1,073,761</u>	<u>107,162</u>
Expenditures:			
Capital outlay	1,947,715	652,190	1,295,525
Debt service -			
Interest and fiscal charges	10,145	10,145	
Principal retirement	57,548	57,548	
Total expenditures	<u>2,015,408</u>	<u>719,883</u>	<u>1,295,525</u>
Change in fund balances	<u>(1,048,809)</u>	<u>353,878</u>	<u>1,402,687</u>
Fund balances, July 1, 2009	1,623,887	1,606,704	(17,183)
Fund balances (deficits), June 30, 2010	<u>\$ 575,078</u>	<u>\$ 1,960,582</u>	<u>\$ 1,385,504</u>

Soft Capital Allocation			Bond Building Fund		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 84,988	\$ 84,979	\$ (9)	\$	\$ 1,280	\$ 1,280
24,359	11,569	(12,790)			
651,961	793,338	141,377			
761,308	889,886	128,578		1,280	1,280
514,443	117,998	396,445	5,000,000	3,503,141	1,496,859
514,443	117,998	396,445	5,000,000	3,503,141	1,496,859
246,865	771,888	525,023	(5,000,000)	(3,501,861)	1,498,139
466,628	474,485	7,857	4,662,611	4,661,331	(1,280)
\$ 713,493	\$ 1,246,373	\$ 532,880	\$ (337,389)	\$ 1,159,470	\$ 1,496,859

(Continued)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	\$ 55,000	\$ 55,000	\$
Property taxes			
State aid and grants			
Total revenues	55,000	55,000	
Expenditures:			
Capital outlay	500,000		500,000
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	500,000		500,000
Change in fund balances	(445,000)	55,000	500,000
Fund balances, July 1, 2009	111,131	111,131	
Fund balances (deficits), June 30, 2010	\$ (333,869)	\$ 166,131	\$ 500,000

Building Renewal			New School Facilities		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 52	\$ 53	\$ 1	\$ 6,035	\$ 6,035	\$
<u>52</u>	<u>53</u>	<u>1</u>	<u>6,035</u>	<u>6,035</u>	
5,000		5,000	600,000	43,828	556,172
<u>5,000</u>		<u>5,000</u>	<u>600,000</u>	<u>43,828</u>	<u>556,172</u>
(4,948)	53	5,001	(593,965)	(37,793)	556,172
3,747	3,747		510,186	510,186	
<u>\$ (1,201)</u>	<u>\$ 3,800</u>	<u>\$ 5,001</u>	<u>\$ (83,779)</u>	<u>\$ 472,393</u>	<u>\$ 556,172</u>

(Continued)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2010
(Concluded)

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 212,059	\$ 243,299	\$ 31,240
Property taxes	410,646	444,651	34,005
State aid and grants	1,166,289	1,338,065	171,776
Total revenues	<u>1,788,994</u>	<u>2,026,015</u>	<u>237,021</u>
Expenditures:			
Capital outlay	8,567,158	4,317,157	4,250,001
Debt service -			
Interest and fiscal charges	10,145	10,145	
Principal retirement	57,548	57,548	
Total expenditures	<u>8,634,851</u>	<u>4,384,850</u>	<u>4,250,001</u>
Change in fund balances	<u>(6,845,857)</u>	<u>(2,358,835)</u>	<u>4,487,022</u>
Fund balances, July 1, 2009	7,378,190	7,367,584	(10,606)
Fund balances (deficits), June 30, 2010	<u>\$ 532,333</u>	<u>\$ 5,008,749</u>	<u>\$ 4,476,416</u>

AGENCY FUNDS

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

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

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
ALL AGENCY FUNDS
JUNE 30, 2010

	Student Activities	Employee Withholding	Totals
<u>ASSETS</u>			
Cash and investments	\$ 27,725	\$ 192,347	\$ 220,072
Total assets	\$ 27,725	\$ 192,347	\$ 220,072
 <u>LIABILITIES</u>			
Deposits held for others		192,347	192,347
Due to student groups	27,725		27,725
Total liabilities	\$ 27,725	\$ 192,347	\$ 220,072

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED JUNE 30, 2010

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<u>STUDENT ACTIVITIES FUND</u>				
<u>Assets</u>				
Cash	\$ <u>27,371</u>	\$ <u>90,781</u>	\$ <u>90,427</u>	\$ <u>27,725</u>
Total assets	\$ <u><u>27,371</u></u>	\$ <u><u>90,781</u></u>	\$ <u><u>90,427</u></u>	\$ <u><u>27,725</u></u>
<u>Liabilities</u>				
Due to student groups	\$ <u>27,371</u>	\$ <u>90,781</u>	\$ <u>90,427</u>	\$ <u>27,725</u>
Total liabilities	\$ <u><u>27,371</u></u>	\$ <u><u>90,781</u></u>	\$ <u><u>90,427</u></u>	\$ <u><u>27,725</u></u>
<u>EMPLOYEE WITHHOLDING FUND</u>				
<u>Assets</u>				
Cash	\$ <u>119,821</u>	\$ <u>8,718,096</u>	<u>8,645,570</u>	\$ <u>192,347</u>
Total assets	\$ <u><u>119,821</u></u>	\$ <u><u>8,718,096</u></u>	\$ <u><u>8,645,570</u></u>	\$ <u><u>192,347</u></u>
<u>Liabilities</u>				
Deposits held for others	\$ <u>119,821</u>	\$ <u>8,718,096</u>	\$ <u>8,645,570</u>	\$ <u>192,347</u>
Total liabilities	\$ <u><u>119,821</u></u>	\$ <u><u>8,718,096</u></u>	\$ <u><u>8,645,570</u></u>	\$ <u><u>192,347</u></u>
<u>TOTAL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash	\$ <u>147,192</u>	\$ <u>8,808,877</u>	\$ <u>8,735,997</u>	\$ <u>220,072</u>
Total assets	\$ <u><u>147,192</u></u>	\$ <u><u>8,808,877</u></u>	\$ <u><u>8,735,997</u></u>	\$ <u><u>220,072</u></u>
<u>Liabilities</u>				
Deposits held for others	\$ <u>119,821</u>	\$ <u>8,718,096</u>	\$ <u>8,645,570</u>	\$ <u>192,347</u>
Due to student groups	<u>27,371</u>	<u>90,781</u>	<u>90,427</u>	<u>27,725</u>
Total liabilities	\$ <u><u>147,192</u></u>	\$ <u><u>8,808,877</u></u>	\$ <u><u>8,735,997</u></u>	\$ <u><u>220,072</u></u>

(This page intentionally left blank)

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.

(This page intentionally left blank)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	\$ 51,517,384	\$ 50,763,428	\$ 52,980,118	\$ 31,355,264	\$ 29,454,412
Restricted	6,415,893	5,554,379	4,472,806	4,908,662	4,583,487
Unrestricted	8,049,268	6,508,051	9,901,890	6,942,237	5,174,387
Total net assets	\$ 65,982,545	\$ 62,825,858	\$ 67,354,814	\$ 43,206,163	\$ 39,212,286
	<u>2005</u>	<u>2004</u>			
Net Assets:					
Invested in capital assets, net of related debt	\$ 23,042,068	\$ 19,826,964			
Restricted	2,096,385	1,255,154			
Unrestricted	3,967,079	2,110,999			
Total net assets	\$ 29,105,532	\$ 23,193,117			

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.

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	\$ 23,204,700	\$ 25,848,457	\$ 20,617,659	\$ 17,522,405	\$ 14,252,993
Support services - students and staff	4,351,556	4,910,946	5,167,102	2,649,334	2,462,815
Support services - administration	3,712,449	3,840,626	3,426,984	3,350,033	2,174,757
Operation and maintenance of plant services	3,532,952	3,423,325	2,916,818	2,698,604	2,117,164
Student transportation services	1,055,660	1,565,093	1,454,647	1,297,133	1,156,611
Operation of non-instructional services	2,936,076	2,780,839	2,370,675	1,827,002	1,494,223
Interest on long-term debt	765,864	960,599	1,237,136	110,784	808,049
Total expenses	39,559,257	43,329,885	37,191,021	29,455,295	24,466,612
Program Revenues					
Charges for services:					
Instruction	237,127	396,264	508,423	262,007	243,679
Operation of non-instructional services	381,389	473,378	388,098	348,301	314,325
Other activities	87,495	56,365	63,367	55,441	63,565
Operating grants and contributions	5,929,433	5,824,208	3,491,539	3,430,591	3,113,333
Capital grants and contributions	281,127	114,245	1,442,548	19,300	311,006
Total program revenues	6,916,571	6,864,460	5,893,975	4,115,640	4,045,908
Net (Expense)/Revenue	\$ (32,642,686)	\$ (36,465,425)	\$ (31,297,046)	\$ (25,339,655)	\$ (20,420,704)

(Continued)

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
LAST SEVEN FISCAL YEARS
(Accrual basis of accounting)**

	Fiscal Year Ended June 30	
	<u>2005</u>	<u>2004</u>
Expenses		
Instruction	\$ 10,089,906	\$ 8,912,940
Support services - students and staff	2,057,007	1,523,809
Support services - administration	1,551,317	1,194,984
Operation and maintenance of plant services	1,555,095	1,233,074
Student transportation services	1,024,241	795,703
Operation of non-instructional services	2,343,078	1,018,034
Interest on long-term debt	414,155	365,848
Total expenses	19,034,799	15,044,392
Program Revenues		
Charges for services:		
Instruction	132,508	38,772
Operation of non-instructional services	287,108	194,882
Other activities	18,507	18,806
Operating grants and contributions	3,175,342	2,283,929
Capital grants and contributions	146,201	42,043
Total program revenues	3,759,666	2,578,432
Net (Expense)/Revenue	\$ (15,275,133)	\$ (12,465,960)

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)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	\$ (32,642,686)	\$ (36,465,425)	\$ (31,297,046)	\$ (25,339,655)	\$ (20,420,704)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	9,027,112	6,807,742	6,596,017	4,125,418	4,006,796
Property taxes, levied for debt service	1,598,734	2,461,356	2,311,249	1,570,615	1,330,255
Property taxes, levied for capital outlay	2,632,358	3,486,758	1,588,834	560,660	1,906,374
Investment income	244,826	428,438	512,447	558,063	189,771
Unrestricted county aid	1,721,324			13,655	1,124,820
Unrestricted state aid	18,144,761	18,752,175	44,437,150	22,505,121	21,969,442
Unrestricted federal aid	2,430,258				
Total general revenues	35,799,373	31,936,469	55,445,697	29,333,532	30,527,458
Changes in Net Assets	\$ 3,156,687	\$ (4,528,956)	\$ 24,148,651	\$ 3,993,877	\$ 10,106,754

(Continued)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	\$ (15,275,133)	\$ (12,465,960)
General Revenues:		
Taxes:		
Property taxes, levied for general purposes	3,274,945	2,821,260
Property taxes, levied for debt service	1,093,211	965,834
Property taxes, levied for capital outlay	543,508	1,480,218
Investment income	98,030	50,990
Unrestricted county aid	903,843	652,978
Unrestricted state aid	15,274,191	14,227,435
Unrestricted federal aid		
Total general revenues	21,187,728	20,198,715
Changes in Net Assets	\$ 5,912,595	\$ 7,732,755

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

Notes: 1) The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 34 were adopted in fiscal year 2003-04, therefore only seven years are shown.

2) The Arizona State Legislature suspended county equalization payments to school districts for fiscal years 2006-07 through 2008-09. As a result, state equalization revenues were increased.

(Concluded)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	\$ 300,438	\$ 117,319	\$ 112,157	\$ 117,000	\$ 308,347
Unreserved	542,991	(1,997,016)	4,168,597	760,583	1,973,348
Total General Fund	\$ 843,429	\$ (1,879,697)	\$ 4,280,754	\$ 877,583	\$ 2,281,695
All Other Governmental Funds:					
Reserved	\$ 86,360	\$ 71,598	\$ 55,985	\$ 54,620	\$ 54,261
Unreserved, reported in:					
Special revenue funds	5,233,948	4,889,622	4,886,223	4,591,446	2,467,802
Capital projects funds	7,289,834	8,759,033	9,845,938	6,559,819	3,912,764
Debt service funds	(21,095)	975,103	819,245	2,274,383	585,859
Total all other governmental funds	\$ 12,589,047	\$ 14,695,356	\$ 15,607,391	\$ 13,480,268	\$ 7,020,686
	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	
General Fund:					
Reserved	\$ 258,651	\$ 199,621	\$ 173,103	\$ 47,087	
Unreserved	1,081,633	931,479	580,419	77,137	
Total General Fund	\$ 1,340,284	\$ 1,131,100	\$ 753,522	\$ 124,224	
All Other Governmental Funds:					
Reserved	\$ 19,321	\$ 25,159	\$ 35,828	\$ 16,467	
Unreserved, reported in:					
Special revenue funds	1,654,593	916,587	556,556	349,523	
Capital projects funds	1,373,272	820,023	1,094,007	1,694,544	
Debt service funds	698,317	348,829	89,889	33,932	
Total all other governmental funds	\$ 3,745,503	\$ 2,110,598	\$ 1,776,280	\$ 2,094,466	

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

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	\$ 5,661,652	\$ 3,175,703	\$ 2,848,688	\$ 1,498,316	\$ 1,619,891
National School Lunch Program	2,759,932	2,245,104	1,774,565	1,802,511	1,432,647
Total federal sources	<u>8,421,584</u>	<u>5,420,807</u>	<u>4,623,253</u>	<u>3,300,827</u>	<u>3,052,538</u>
State sources:					
State equalization assistance	19,047,479	14,729,736	23,719,901	16,512,131	13,253,437
State grants	73,415	676,634	170,082	162,994	159,063
School Facilities Board		1,115,393	17,699,429	4,214,068	7,366,586
Other revenues	1,604,590	1,561,125	2,051,036	1,778,922	1,349,419
Total state sources	<u>20,725,484</u>	<u>18,082,888</u>	<u>43,640,448</u>	<u>22,668,115</u>	<u>22,128,505</u>
Local sources:					
Property taxes	12,883,612	12,456,705	10,333,655	6,261,219	7,148,063
County aid	1,721,324			13,655	1,124,820
Food service sales	324,629	407,189	359,313	320,798	300,003
Investment income	241,924	415,596	537,148	547,347	184,408
Other revenues	385,581	601,168	589,086	344,951	321,566
Total local sources	<u>15,557,070</u>	<u>13,880,658</u>	<u>11,819,202</u>	<u>7,487,970</u>	<u>9,078,860</u>
Total revenues	<u>\$ 44,704,138</u>	<u>\$ 37,384,353</u>	<u>\$ 60,082,903</u>	<u>\$ 33,456,912</u>	<u>\$ 34,259,903</u>
	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	
Federal sources:					
Federal grants	\$ 1,721,383	\$ 1,205,200	\$ 1,253,494	\$ 1,202,786	
National School Lunch Program	1,217,761	859,352	699,160	554,248	
Total federal sources	<u>2,939,144</u>	<u>2,064,552</u>	<u>1,952,654</u>	<u>1,757,034</u>	
State sources:					
State equalization assistance	9,934,630	7,237,561	5,159,706	3,981,370	
State grants	320,126	242,913	155,751	263,493	
School Facilities Board	4,561,595	6,486,999	1,100,718	4,410,598	
Other revenues	860,837	450,526	382,375	392,153	
Total state sources	<u>15,677,188</u>	<u>14,417,999</u>	<u>6,798,550</u>	<u>9,047,614</u>	
Local sources:					
Property taxes	4,916,435	5,213,280	2,655,745	2,696,378	
County aid	903,843	652,978	460,604	342,998	
Food service sales	259,641	173,387	158,686	122,049	
Investment income	94,787	49,960	53,854	79,205	
Other revenues	178,482	90,715	156,692	85,771	
Total local sources	<u>6,353,188</u>	<u>6,180,320</u>	<u>3,485,581</u>	<u>3,326,401</u>	
Total revenues	<u>\$ 24,969,520</u>	<u>\$ 22,662,871</u>	<u>\$ 12,236,785</u>	<u>\$ 14,131,049</u>	

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

Note: The Arizona State Legislature suspended county equalization payments to school districts for fiscal years 2006-07 through 2008-09. As a result, state equalization revenues were increased.

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	\$ 20,828,087	\$ 19,269,450	\$ 17,349,326	\$ 13,464,700	\$ 11,262,540
Support services - students and staff	4,176,708	4,638,812	4,853,517	2,549,510	2,340,776
Support services - administration	3,449,785	3,376,043	2,937,889	3,220,302	2,135,708
Operation and maintenance of plant services	3,313,758	3,183,875	2,664,132	2,334,156	2,086,229
Student transportation services	1,050,557	993,723	1,295,199	1,136,725	1,025,472
Operation of non-instructional services	2,833,818	2,690,382	2,078,561	1,728,078	1,425,990
Capital outlay	6,842,115	7,485,608	27,113,244	11,509,372	8,631,319
Debt service -					
Judgments against the district		13,602			
Interest, premium and fiscal charges	765,864	960,599	1,369,761	113,291	1,428,642
Principal retirement	1,962,548	1,994,471	2,839,831	266,321	305,388
Bond issuance costs			148,622	102,200	
Total expenditures	<u>\$ 45,223,240</u>	<u>\$ 44,606,565</u>	<u>\$ 62,650,082</u>	<u>\$ 36,424,655</u>	<u>\$ 30,642,064</u>
Expenditures for capitalized assets	\$ 5,996,816	\$ 3,864,201	\$ 23,683,707	\$ 7,966,833	\$ 5,968,155
Debt service as a percentage of noncapital expenditures	7%	7%	11%	2%	7%

(Continued)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	\$ 9,189,031	\$ 6,977,761	\$ 4,596,561	\$ 4,464,644
Support services - students and staff	1,957,360	1,449,084	970,310	588,707
Support services - administration	1,511,186	1,157,299	1,142,137	1,036,060
Operation and maintenance of plant services	1,456,313	1,194,355	992,481	865,697
Student transportation services	912,979	705,341	452,255	398,725
Operation of non-instructional services	1,295,729	930,683	766,399	646,587
Capital outlay	6,190,558	8,896,079	2,351,405	4,835,229
Debt service -				
Judgments against the district				
Interest, premium and fiscal charges	761,505	711,226	707,403	699,447
Principal retirement	130,834	141,191	92,099	35,985
Bond issuance costs				
Total expenditures	<u><u>\$ 23,405,495</u></u>	<u><u>\$ 22,163,019</u></u>	<u><u>\$ 12,071,050</u></u>	<u><u>\$ 13,571,081</u></u>
Expenditures for capitalized assets	\$ 4,740,692	\$ 7,152,977	\$ 1,810,191	\$ 4,469,183
Debt service as a percentage of noncapital expenditures	5%	6%	8%	8%

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

(Concluded)

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	\$ (519,102)	\$ (7,222,212)	\$ (2,567,179)	\$ (2,967,743)	\$ 3,617,839
Other financing sources (uses):					
General obligation bonds issued			7,830,000	8,000,000	
Premium on sale of bonds			130,518	104,707	
Capital lease agreements	938,038	128,951	140,433	109,494	514,119
Transfers in	464,537	598,950	40,839	747,069	137,207
Transfers out	(464,537)	(598,950)	(40,839)	(747,069)	(137,207)
Total other financing sources (uses)	938,038	128,951	8,100,951	8,214,201	514,119
Changes in fund balances	\$ 418,936	\$ (7,093,261)	\$ 5,533,772	\$ 5,246,458	\$ 4,131,958
	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	
Excess (deficiency) of revenues over expenditures	\$ 1,564,025	\$ 499,852	\$ 165,735	\$ 559,968	
Other financing sources (uses):					
Capital lease agreements	226,872	196,195		366,281	
Transfers in	226,597	309,532	265,136	55,376	
Transfers out	(226,597)	(309,532)	(265,136)	(55,376)	
Total other financing sources (uses)	226,872	196,195	-	366,281	
Changes in fund balances	\$ 1,790,897	\$ 696,047	\$ 165,735	\$ 926,249	

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

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST 10 FISCAL YEARS

Fiscal Year Ended June 30	Secondary Assessed Valuation	Total Direct Rate	Estimated Actual Value	Ratio of Net Assessed to Estimated Actual Value
2010	\$ 389,531,143	3.77	\$ 3,249,300,415	12.0 %
2009	408,800,218	3.77	3,423,609,778	11.9
2008	310,785,826	3.94	2,586,217,967	12.0
2007	207,181,600	3.10	1,658,309,097	12.5
2006	169,306,418	4.59	1,334,477,243	12.7
2005	136,872,386	3.84	1,020,494,915	13.4
2004	93,510,144	5.92	661,382,964	14.1
2003	73,146,020	3.89	494,437,787	14.8
2002	60,676,861	4.44	389,756,131	15.6
2001	56,588,847	4.11	364,061,568	15.5

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

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST 10 FISCAL YEARS**

Fiscal Year Ended June 30	Central AZ							Tolleson		
	County-wide	Community College District	Flood Control District	Water Conservation District	City of Avondale	City of Tolleson	Union High School District No. 214	District Direct Rates		
							Primary	Secondary	Total	
2010	0.99	0.88	0.14	0.10	1.11	2.51	2.51	1.26	3.77	
2009	1.03	0.94	0.14	0.10	1.11	2.30	2.38	1.39	3.77	
2008	1.10	0.98	0.15	0.10	1.11	2.67	2.33	1.61	3.94	
2007	1.18	1.06	0.20	0.12	1.17	2.97	1.22	1.88	3.10	
2006	1.20	1.03	0.21	0.12	1.17	2.43	2.74	1.85	4.59	
2005	1.21	1.04	0.21	0.12	1.17	2.41	2.12	1.72	3.84	
2004	1.28	1.78	0.21	0.12	1.16	2.67	3.90	2.02	5.92	
2003	1.29	1.11	0.21	0.13	1.27	1.99	2.33	1.56	3.89	
2002	1.27	1.11	0.23	0.13	1.28	2.56	2.88	1.56	4.44	
2001	1.28	1.12	0.25	0.13	1.28	2.06	2.29	1.82	4.11	

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

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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>
Smith's Food & Drug Store	\$ 16,986,013	4.36 %	\$	%
SVC Manufacturing	12,043,414	3.09		
Phoenix Speedway Corp.	8,385,956	2.15		
AZEJM Holdings/Oxnard Commerceplex LLC	5,249,991	1.35		
Mechanic (AZ) QRS 15-41, Inc.	4,957,827	1.27		
DH Ventures LLC	4,873,154	1.25		
Avondale Commerce Center Phase I LLC	4,090,680	1.05		
Avondale Commerce Center Phase II LLC	4,058,121	1.04		
May-Broward Investment Co.	3,574,532	0.92		
Arizona Public Service Company	3,568,878	0.92	4,471,885	7.37
El Paso Electric Power Company			2,099,419	3.46
Southern California Edison			1,796,035	2.96
Phoenix International Raceway			1,565,463	2.58
Southern Pacific Transportation Company			1,347,026	2.22
Sprint Communications			1,177,131	1.94
Qwest			776,664	1.28
Southern California Public Power Association			679,581	1.12
City of Los Angeles Department of Water & Power			491,483	0.81
Tucson Electric Power Company			351,925	0.58
Bell Atlantic			333,723	0.55
Southwest Gas Company			333,723	0.55
Public Service Company of New Mexico			224,505	0.37
El Paso Natural Gas			212,369	0.35
Total	<u>\$ 67,788,566</u>	<u>17.40 %</u>	<u>\$ 15,860,932</u>	<u>26.14 %</u>

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

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	\$ 13,522,874	\$ 12,513,492	92.54 %	\$ -	\$ 12,513,492	92.54 %
2009	13,179,902	12,282,024	93.19	793,188	13,075,212	99.21
2008	10,838,782	10,396,831	95.92	439,473	10,836,304	99.98
2007	6,287,207	6,006,237	95.53	262,055	6,268,292	99.70
2006	7,403,486	7,154,323	96.63	248,101	7,402,424	99.99
2005	4,977,631	4,820,824	96.85	156,068	4,976,892	99.99
2004	5,339,672	5,135,413	96.17	203,999	5,339,412	100.00
2003	2,614,776	2,540,015	97.14	74,605	2,614,620	99.99
2002	2,713,009	2,337,807	86.17	375,181	2,712,988	100.00
2001	1,966,903	1,889,627	96.07	75,909	1,965,536	99.93

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.

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	Bond Premium	Capital Leases	Total	Percentage of Estimated Actual Value	Per Capita
2010	\$ 13,390,000	\$ 1,905,000	\$ 11,485,000	0.35 %	383	\$ -	\$ 1,062,914	\$ 12,547,914	0.39 %	418
2009	14,500,000	1,110,000	13,390,000	0.39	446	148,945	182,424	13,721,369	0.40	457
2008	15,070,000	570,000	14,500,000	0.56	483	448,757	479,187	15,427,944	0.60	514
2007	9,270,000	10,000	9,260,000	0.56	309	599,486	588,585	10,448,071	0.63	348
2006	1,280,000	10,000	1,270,000	0.10	42	758,056	745,412	2,773,468	0.21	92
2005	1,320,000	20,000	1,300,000	0.13	43	1,391,040	496,681	3,187,721	0.31	106
2004	1,340,000	20,000	1,320,000	0.20	48	1,737,463	380,643	3,438,106	0.52	115
2003	1,360,000	20,000	1,340,000	0.27	54	2,096,185	305,639	3,741,824	0.76	136
2002	1,380,000	20,000	1,360,000	0.35	60	2,443,992	377,738	4,181,730	1.07	186

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

LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	0.67 %	\$ 4,375,368
City of Avondale	40,180,000	35.03	14,075,054
City of Goodyear	129,940,000	0.01	12,994
City of Phoenix	1,697,478,959	0.30	5,092,437
City of Tolleson	34,600,000	27.67	9,573,820
Tolleson Union High School District No. 214	82,015,000	22.95	18,822,443
Subtotal, Overlapping Debt			<u>51,952,116</u>
Direct:			
Littleton Elementary School District No. 65			<u>12,547,914</u>
Total Direct and Overlapping Debt			<u><u>\$ 64,500,030</u></u>

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

- Notes:** 1) Outstanding debt as of June 30, 2009 is presented for the overlapping governments as this is the most recent available information.
2) Estimated percentage of debt outstanding applicable to the District is calculated based on the District's secondary assessed valuation as a percentage of the secondary assessed valuation of the overlapping jurisdiction.

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
LEGAL DEBT MARGIN INFORMATION
LAST EIGHT FISCAL YEARS**

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

Secondary assessed valuation	\$ 389,531,143
Debt limit (5% of assessed value)	19,476,557
Debt applicable to limit	<u>12,160,000</u>
Legal debt margin	<u><u>\$ 7,316,557</u></u>

Legal Debt Margin Calculation for Fiscal Year 2010:

Secondary assessed valuation	\$ 389,531,143
Debt limit (15% of assessed value)	58,429,671
Debt applicable to limit	<u>11,485,000</u>
Legal debt margin	<u><u>\$ 46,944,671</u></u>

Fiscal Year Ended June 30

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Debt limit	\$ 58,429,671	\$ 61,320,033	\$ 46,617,874	\$ 31,077,240	\$ 25,395,963
Total net debt applicable to limit	<u>11,485,000</u>	<u>13,390,000</u>	<u>14,500,000</u>	<u>9,260,000</u>	<u>1,270,000</u>
Legal debt margin	<u><u>\$ 46,944,671</u></u>	<u><u>\$ 47,930,033</u></u>	<u><u>\$ 32,117,874</u></u>	<u><u>\$ 21,817,240</u></u>	<u><u>\$ 24,125,963</u></u>
Total net debt applicable to the limit as a percentage of debt limit	20%	22%	31%	30%	5%

	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Debt limit	\$ 20,530,858	\$ 14,026,522	\$ 10,971,903	\$ 9,101,529
Total net debt applicable to limit	<u>1,300,000</u>	<u>1,320,000</u>	<u>1,340,000</u>	<u>1,360,000</u>
Legal debt margin	<u><u>\$ 19,230,858</u></u>	<u><u>\$ 12,706,522</u></u>	<u><u>\$ 9,631,903</u></u>	<u><u>\$ 7,741,529</u></u>
Total net debt applicable to the limit as a percentage of debt limit	6%	9%	12%	15%

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

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

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST NINE 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 %	30,000
2008	3,987,942	139,665,253	36,135	4.8	30,000
2007	3,907,492	132,423,154	35,046	3.2	30,000
2006	3,792,675	120,716,738	33,178	3.5	30,000
2005	3,895,205	111,103,576	31,757	4.4	30,000
2004	3,742,460	102,277,852	30,160	5.0	30,000
2003	3,598,440	96,988,974	29,020	5.0	27,500
2002	3,296,300	93,544,549	29,117	5.3	25,000
2001	3,192,100	89,775,000	28,329	4.1	22,500

Source: 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.

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	54,420	2.8	59,348	3.4 %
Wal-Mart Stores Inc.	31,280	1.6	13,800	0.8
Banner Health Systems	27,431	1.4	13,913	0.8
City of Phoenix	16,375	0.9	12,917	0.7
Wells Fargo Company	14,000	0.7	7,640	0.4
Maricopa County	12,996	0.7	13,860	0.8
Apollo Group Inc.	12,299	0.6		
Arizona State University	12,043	0.6	8,000	0.5
Raytheon Co.	11,500	0.6		
Honeywell	10,145	0.5	16,500	0.9
Intel Corp.	10,000	0.5	9,000	0.5
Bank of America	10,000	0.5	5,458	0.3
JP Morgan Chase & Co	9,300	0.5	9,000	0.5
Mesa Public Schools	9,200	0.5	6,754	0.4
U.S. Postal Service	8,681	0.5	9,756	0.6
US Airways	8,646	0.5	8,616	0.5
Luke Air Force Base	8,000	0.4	5,455	0.3
Catholic Healthcare West	7,771	0.4		
American Express Co.	7,324	0.4	9,000	0.5
Arizona Public Service	6,500	0.3	6,300	0.4
Safeway Inc.			8,500	0.5
Fry's Food and Drug Stores			7,500	0.4
Qwest Communications Inc.			7,500	0.4
Tosco Marketing Co.			5,801	0.3
Total	<u>287,911</u>	<u>14.9 %</u>	<u>244,618</u>	<u>13.9 %</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.

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
 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					
Superintendent, Principals,	7	7			
Assistant principals, Other Certified	10	10	16	18	11
Total supervisory	<u>17</u>	<u>17</u>	<u>16</u>	<u>18</u>	<u>11</u>
Instruction					
Teachers	300	311	292	230	183
Other professionals (instructional)	12	14	17	11	4
Aides	66	55	71	68	35
Total instruction	<u>378</u>	<u>380</u>	<u>380</u>	<u>309</u>	<u>222</u>
Support and Administration					
Managers	6	5	9	5	8
Other Classified	95	96	99	95	97
Total support and administration	<u>101</u>	<u>101</u>	<u>108</u>	<u>100</u>	<u>105</u>
Total	<u><u>496</u></u>	<u><u>498</u></u>	<u><u>504</u></u>	<u><u>427</u></u>	<u><u>338</u></u>

(Continued)

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
 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				
Superintendent, Principals,				
Assistant principals, Other Certified	10	9	9	9
Total supervisory	<u>10</u>	<u>9</u>	<u>9</u>	<u>9</u>
Instruction				
Teachers	138	111	82	65
Other professionals (instructional)	5	1		
Aides	25	17	15	24
Total instruction	<u>168</u>	<u>129</u>	<u>97</u>	<u>89</u>
Support and Administration				
Managers	8	5	4	4
Other Classified	85	71	57	66
Total support and administration	<u>93</u>	<u>76</u>	<u>61</u>	<u>70</u>
Total	<u><u>271</u></u>	<u><u>214</u></u>	<u><u>167</u></u>	<u><u>168</u></u>

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

(Concluded)

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	4,742	\$ 35,652,713	\$ 7,518	8.07 %	\$ 39,559,257	\$ 8,342	(5.49) %	300	15.8	80.2 %
2009	4,909	34,152,285	6,957	3.76 %	43,329,885	8,827	10.36	311	15.8	75.6
2008	4,650	31,178,624	6,705	13.06	37,191,021	7,998	11.87	292	15.9	78.7
2007	4,120	24,433,471	5,930	10.28	29,455,295	7,149	10.19	230	17.9	73.0
2006	3,771	20,276,715	5,377	4.03	24,466,612	6,488	7.64	183	20.6	74.0
2005	3,158	16,322,598	5,169	(4.08)	19,034,799	6,027	(7.69)	138	22.9	73.5
2004	2,304	12,414,523	5,388	3.78	15,044,392	6,530	N/A	111	20.8	73.0
2003	1,718	8,920,143	5,192	(11.15)	N/A	N/A	N/A	82	21.0	74.6
2002	1,369	8,000,420	5,844	N/A	N/A	N/A	N/A	65	21.1	79.4

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

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

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

**LITTLETON ELEMENTARY SCHOOL DISTRICT NO. 65
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	25	22	18	17	17	16	15	15	15
Square feet	576,739	521,963	431,455	341,642	341,642	251,651	170,363	170,363	170,363
Capacity	7,261	6,386	5,263	4,140	4,140	3,015	2,010	2,010	2,010
Enrollment	4,996	5,196	4,694	3,912	3,580	2,904	1,990	1,621	1,015
<u>Middle</u>									
Buildings			6	6	6	6	6	6	6
Square feet			42,477	42,477	42,477	42,477	42,477	42,477	42,477
Capacity			480	480	480	480	480	480	480
Enrollment			413	482	441	486	465	210	457
<u>Administrative</u>									
Buildings	3	2	2	2	2	2	2	2	2
Square feet	44,678	9,248	9,248	9,248	9,248	9,248	9,248	9,248	9,248
<u>Transportation</u>									
Garages	1	1	1	1	1	1	1	1	1
Buses	23	23	24	28	27	20	20	19	19

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

(This page intentionally left blank)