
MINGUS UNION HIGH
SCHOOL DISTRICT NO. 4

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2009



1801 East Fir Street ♦ Cottonwood, AZ 86326

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4

COTTONWOOD, ARIZONA

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

Issued by:
Business and Finance Department

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4

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INTRODUCTORY SECTION

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MINGUS UNION HIGH SCHOOL DISTRICT # 4

Mr. Tim Foist, Superintendent

1801 East Fir Street Cottonwood, AZ 86326

928-634-8901 Tfoist@muhs.com

December 14, 2009

Citizens and Governing Board
Mingus Union High School District No. 4
1801 East Fir Street
Cottonwood, Arizona 86326

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 Mingus Union High School District No. 4 (District) for the fiscal year ended June 30, 2009.

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, 2009, 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, 2009, 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 21 public school districts located in Yavapai County, Arizona. It provides a program of public education from ninth through grade twelve, with an estimated current enrollment of 1,160 resident students and 52 students from other local school districts that pay tuition to attend Mingus Union High School.

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

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

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

Mingus Union High School was established through the unification of Cottonwood High School and Mingus High School in 1959.

The District is located in Cottonwood, Arizona. Cottonwood is located about 50 miles south of Flagstaff, Arizona ("Flagstaff") in the Verde Valley, at an elevation of 3,320 feet above sea level. Cottonwood, which was founded in 1879 and incorporated in 1960, is near the geographical center of Arizona and only about 100 miles north of the metropolitan Phoenix area.

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. Cottonwood serves as the trading center for the Verde Valley, with a wide variety of retail establishments, professional services, and manufacturing concerns. Verde Valley Medical Center is one of the finest diagnostic and treatment centers in Northern Arizona. The travel and tourism industries are also important to Cottonwood's economy.

Due to Cottonwood's proximity to various recreational and scenic attractions, including the Verde River and Prescott National Forest, tourism contributes greatly to Cottonwood's economy. Riverfront Park and Dead Horse Ranch State Park provide access to the Verde River Greenway. The Verde Canyon Railroad offers views into the remote Sycamore Canyon Wilderness.

A few of the major firms represented in Cottonwood include Griffith Enterprises, Home Depot, Verde Valley Medical Center, Wal-Mart Stores, Inc., Arizona Public Service, and the City of Cottonwood. In addition, the Verde Valley area provides excellent educational and training opportunities through Yavapai College, consisting of six different campuses and currently serving about 3,415 students each year. The main campus is located approximately 30 miles away in Prescott, Arizona ("Prescott"), while the Verde Valley campus in nearby Clarkdale features a state-of-the-art computer lab, library, and learning center. Northern Arizona University's main campus is located 60 miles away in Flagstaff and has a current enrollment of approximately 18,000 students, including satellite campuses. The University focuses on undergraduate education but offers a wide range of graduate programs as well.

Long-term Financial Planning. In 2007, the District's voters approved \$15 million in bonding to be utilized to renovate the existing building and increase the number of classrooms to accommodate the slight growth that has occurred over the last few years. The renovation is focused on student safety and academic needs. The original building and infrastructure was in excess of thirty years old and required substantial upgrades to meet the current technology needs as well as bringing the

structure up to current safety codes. In this connection, the electrical system was upgraded to be able to handle the additional demands that classroom technology is placing on the system.

The bond project was performed in three phases which were substantially complete by June, 30 2009. Phase one focused on the electrical infrastructure, gymnasium and associated locker rooms. Phase two focused on replacing the front office of the school to correct some structural problems and to construct a new library and administrative offices that will allow for a single entry point for visitors to improve school safety. In addition, 21 classrooms were renovated to be essentially new with better technology capability. Phase three focused on renovating the school's beautiful auditorium, stage area and converting space previously occupied by the school's original library to four new classrooms. Remaining funds after phase three may be utilized to upgrade the outside track and stadium facilities.

In 2005, the voters approved a 10 percent maintenance and operations override that allows the District to increase its funding by 10 percent of the revenue control limit. Over the five-year period of the override's existence, the expected funding will be in the range of \$1.8 million. These funds allow the District to continue offering programs such as fine arts, physical education and to maintain average class sizes at reasonable levels.

The District has experienced some growth in enrollment over the last three years; however, fiscal year 2008-09 is showing a slight decline associated with the slow down in the State and local economy. Future maintenance and operations budgets will focus carefully on the cohort movement from the feeder K-8 schools to the High School to ensure future budgets consider the impact of this movement.

AWARDS AND ACKNOWLEDGMENTS

Awards. The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2008. This was the first year that the District has received this prestigious award. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2008. In order to be awarded these certificates, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

These certificates are valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the programs' requirements and we are submitting it to ASBO and GFOA to determine its eligibility for the fiscal year 2008-09 certificates.

Acknowledgments. The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the business and finance department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

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

Respectfully submitted,

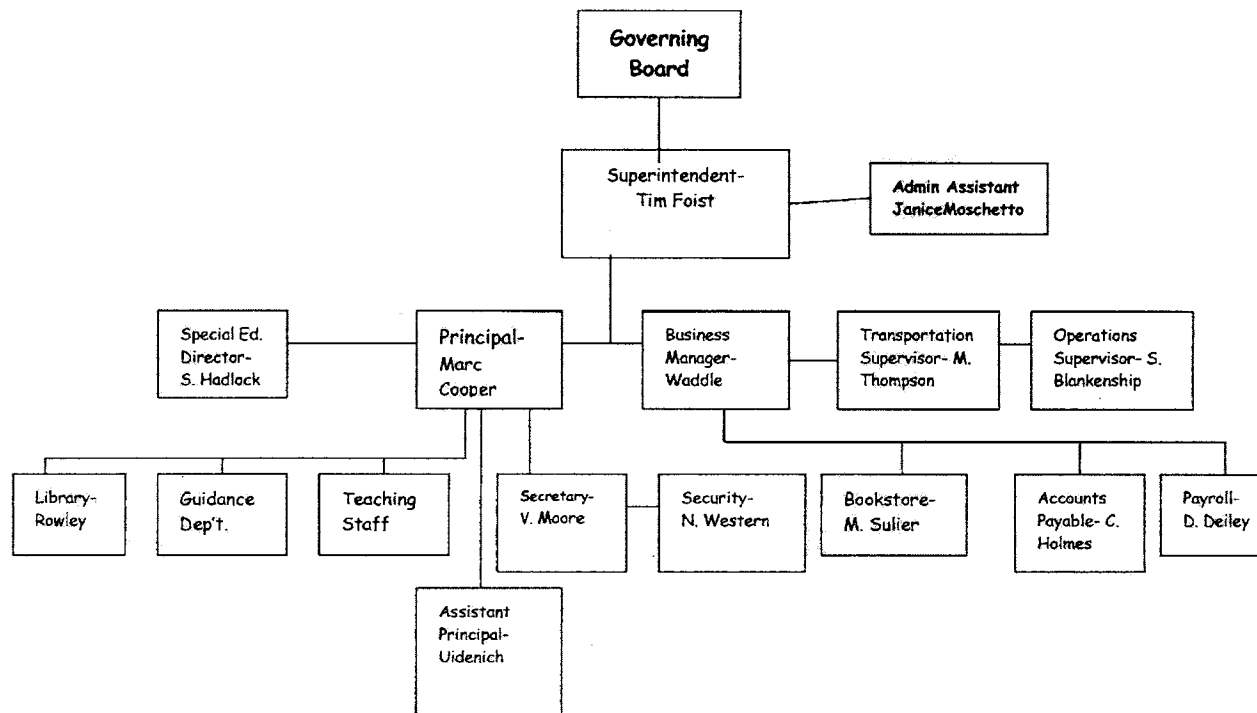
A handwritten signature in black ink, appearing to read "Tim Foist". The signature is stylized with a large, sweeping initial "T" and "F".

Dr. Tim Foist
Superintendent

A handwritten signature in black ink, appearing to read "Kirk Waddle". The signature is written in a cursive, flowing style.

Kirk Waddle
Business Manager

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
ORGANIZATIONAL CHART**



**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

MINGUS UNION HIGH SCHOOL DISTRICT NO.4

**For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2008**

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

Angeh Petuman

President

John D. Mueso

Executive Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Mingus Union High School
District No. 4, Arizona

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2008

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



President

Executive Director

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4

LIST OF PRINCIPAL OFFICIALS

GOVERNING BOARD

Dr. John Tavasci
President

Andrew Groseta
Member

James Ledbetter
Clerk

Mike Mulcaire
Member

Brenda Zenan
Member

ADMINISTRATIVE STAFF

Dr. Tim Foist
Superintendent

Kirk Waddle
Business Manager

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FINANCIAL SECTION

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HEINFELD, MEECH & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

751 E. Pine Knoll Dr., Suite 1201
Flagstaff, Arizona 86001
Tel (928) 774-4201
Fax (928) 774-4268

INDEPENDENT AUDITORS' REPORT

Governing Board
Mingus Union High School District No. 4

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Mingus Union High School District No. 4 (District), as of and for the year ended June 30, 2009, 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 Mingus Union High School District No. 4, as of June 30, 2009, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2009, on our consideration of the Mingus Union High School District No. 4'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.

The management's discussion and analysis on pages 5 through 14 and budgetary comparison information on pages 48 and 49 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. 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 basic financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken 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 express no opinion on them.

Heinfeld, Meech & Co., P.C.

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

December 14, 2009

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

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**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2009**

As management of the Mingus Union High School District No. 4 (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, 2009. 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 decreased \$1.3 million which represents a 12 percent decrease from the prior fiscal year.
- General revenues accounted for \$7.9 million in revenue, or 82 percent of all current fiscal year revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$1.7 million or 18 percent of total current fiscal year revenues.
- The District had approximately \$10.9 million in expenses related to governmental activities, a decrease of 2 percent from the prior fiscal year.
- Among major funds, the General Fund had \$6.4 million in current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$6.9 million in expenditures. The General Fund's fund balance decreased from \$613,225 at the prior fiscal year end to \$135,664 at the current fiscal year end.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The statement of net 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.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2009**

OVERVIEW OF FINANCIAL STATEMENTS (Cont'd)

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

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

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

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

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

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 the Bond Building Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and schedules.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2009**

OVERVIEW OF FINANCIAL STATEMENTS (Concl'd)

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

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$9.1 million at the current fiscal year end.

By far the largest portion of the District's net assets (79 percent) reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment and construction in progress), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. In addition, a portion of the District's net assets (3 percent) are restricted by statute for the specified purposes of debt service repayment and capital outlay investment.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2009**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

The following table presents a summary of the District's net assets for the fiscal years ended June 30, 2009 and June 30, 2008.

	As of June 30, 2009	As of June 30, 2008
Current and other assets	\$ 3,801,948	\$ 11,321,568
Capital assets, net	21,213,940	15,357,855
Total assets, net	<u>25,015,888</u>	<u>26,679,423</u>
Current and other liabilities	919,136	982,882
Long-term liabilities	14,961,484	15,299,113
Total liabilities	<u>15,880,620</u>	<u>16,281,995</u>
Net assets:		
Invested in capital assets, net of related debt	7,223,915	7,345,596
Restricted	236,941	877,692
Unrestricted	1,674,412	2,174,140
Total net assets	<u>\$ 9,135,268</u>	<u>\$ 10,397,428</u>

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

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

The following is a significant current year transaction that had an impact on the Statement of Net Assets.

- The addition of \$6.3 million in capital assets through the construction of school improvements and purchases of vehicles, furniture and equipment.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2009**

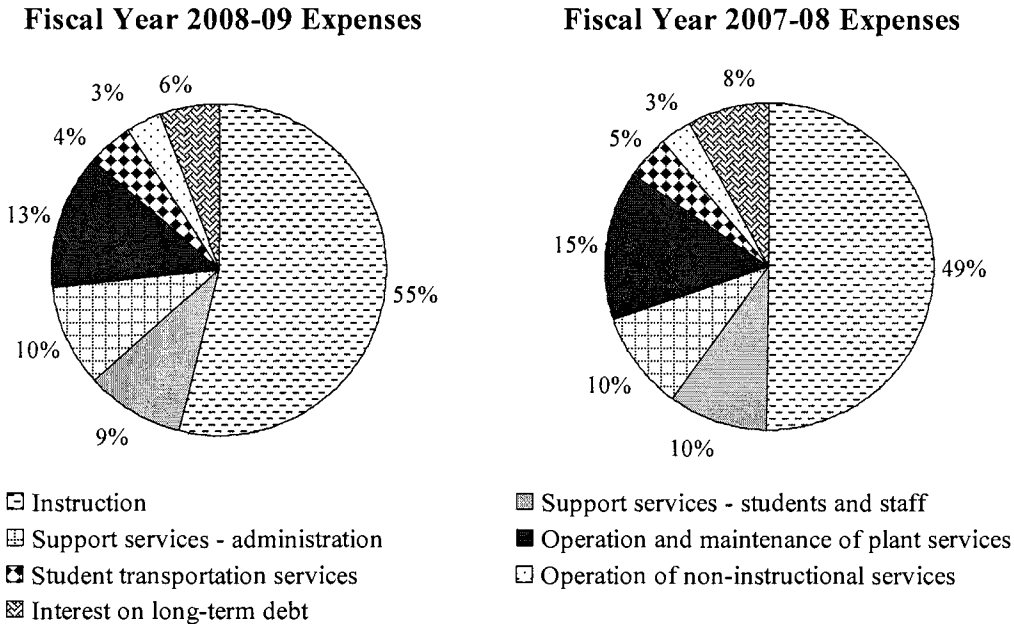
GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

Changes in net assets. The District's total revenues for the current fiscal year were \$9.6 million. The total cost of all programs and services was \$10.9 million. The following table presents a summary of the changes in net assets for the fiscal years ended June 30, 2009 and June 30, 2008.

	Fiscal Year Ended June 30, 2009	Fiscal Year Ended June 30, 2008
Revenues:		
Program revenues:		
Charges for services	\$ 1,018,347	\$ 1,172,908
Operating grants and contributions	637,710	644,483
Capital grants and contributions	39,306	150,125
General revenues:		
Property taxes	5,511,561	5,600,034
Investment income	106,415	517,369
Unrestricted state aid	2,278,437	3,350,008
Total revenues	<u>9,591,776</u>	<u>11,434,927</u>
Expenses:		
Instruction	5,853,376	5,548,417
Support services – students and staff	1,024,007	1,060,641
Support services – administration	1,084,389	1,067,256
Operation and maintenance of plant services	1,426,163	1,631,585
Student transportation services	480,248	497,959
Operation of non-instructional services	342,783	326,627
Interest on long-term debt	642,970	890,696
Total expenses	<u>10,853,936</u>	<u>11,023,181</u>
Change in net assets	<u>\$ (1,262,160)</u>	<u>\$ 411,746</u>

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2009**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)



The following is a significant current year transaction that had an impact on the change in net assets.

- Decrease in unrestricted state aid of \$1.1 million due to state budget cuts.

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.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2009**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Concl'd)

	Year Ended June 30, 2009		Year Ended June 30, 2008	
	Total Expenses	Net (Expense)/ Revenue	Total Expenses	Net (Expense)/ Revenue
Instruction	\$ 5,853,376	\$ (4,810,943)	\$ 5,548,417	\$ (4,194,318)
Support services – students and staff	1,024,007	(873,689)	1,060,641	(895,839)
Support services – administration	1,084,389	(1,050,584)	1,067,256	(1,017,270)
Operation and maintenance of plant services	1,426,163	(1,317,463)	1,631,585	(1,606,168)
Student transportation services	480,248	(480,248)	497,959	(497,959)
Operation of non-instructional services	342,783	17,324	326,627	46,585
Interest on long-term debt	642,970	(642,970)	890,696	(890,696)
Total	<u>\$ 10,853,936</u>	<u>\$ (9,158,573)</u>	<u>\$ 11,023,181</u>	<u>\$ (9,055,665)</u>

- The cost of all governmental activities this year was \$10.9 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$1.7 million.
- Net cost of governmental activities of \$9.2 million was financed by general revenues, which are made up of primarily property taxes of \$5.5 million and state aid of \$2.3 million. Investment earnings accounted for \$106,415 of funding.

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 \$2.1 million, a decrease of \$7.9 million due primarily to the renovation of the District's gym and high school auditorium.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2009**

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

The General Fund comprises 7 percent of the total fund balance. The General Fund contributes a \$300,843 deficit to the unreserved fund balance. The remaining fund balance of \$436,507 is reserved for prepaid insurance and it is not available for spending because it has already been committed.

The General Fund is the principal operating fund of the District. The decrease in fund balance of \$477,561 to \$135,664 as of fiscal year end was a result of decreased and delayed state aid payments. General Fund revenues decreased \$114,039. General Fund expenditures decreased \$328,278.

The fund balance of the Debt Service decreased \$389,491 to \$126,446 as of fiscal year end. The decrease in fund balance was due to the beginning of debt service payment for a bond issued in 2007.

The fund balance of the Bond Building Fund was \$938,140 as of fiscal year end. The decrease in fund balance of \$6.2 million was primarily due to increased expenditures for building improvements related to the bond renovations project that began in 2006.

BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the General Fund annual expenditure budget for changes in mandatory state decreases due to the state deficit and an increase due to prior year final budget balance carryforward. The difference between the original budget and the final amended budget was a \$73,884 decrease, or 1 percent.

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

- The favorable variance of \$171,206 in instruction was a result of staff reductions made in response to the state cuts in base allowance offset in part by unexpected expenses in special education.
- The unfavorable variance of \$132,987 in support services-students and staff was a result of additional classroom aides required to handle class sizes that were larger than expected.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2009**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. As of June 30, 2009, the District had invested \$28.1 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 \$6.3 million from the prior fiscal year, primarily due to the renovation project undertaken by the District. Total depreciation expense for the current fiscal year was \$430,459.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2009 and June 30, 2008.

	As of June 30, 2009	As of June 30, 2008
Capital assets – non-depreciable	\$ 14,124,324	\$ 7,889,510
Capital assets – depreciable, net	7,089,616	7,468,345
Total	\$ 21,213,940	\$ 15,357,855

The estimated cost to complete the current construction project is \$922,040.

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

Debt Administration. At year-end, the District had 14.9 million in long-term debt outstanding, \$541,085 due within one year. This represents a net decrease of \$257,048 due to the payment of bond and capital lease principal.

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% 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 \$68.6 million and the Class B debt limit is \$22.9 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 2009-10 budget. Among them:

- Fiscal year 2009-10 budget balance carry forward (estimated \$840,723).
- District student population (estimated 1,162).
- Reduction in General Fund state aid of \$230,000 resulting from lower enrollment.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2009**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES (Concl'd)

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 11 percent to \$6.4 million in fiscal year 2009-10. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2009-10 budget.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business and Finance Department, Mingus Union High School District No. 4, 1801 East Fir Street, Cottonwood, Arizona 86326.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
STATEMENT OF NET ASSETS
JUNE 30, 2009

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 2,529,569
Property taxes receivable	262,230
Due from governmental entities	569,688
Prepaid items	436,507
Inventory, at cost	3,954
Total current assets	<u>3,801,948</u>
Noncurrent assets:	
Land	30,000
Land improvements	649,082
Buildings and improvements	10,615,068
Vehicles, furniture and equipment	2,685,433
Construction in progress	14,094,324
Accumulated depreciation	(6,859,967)
Total noncurrent assets	<u>21,213,940</u>
Total assets	<u>25,015,888</u>
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	205,205
Construction contracts payable	264,512
Due to governmental entities	435
Compensated absences payable	15,000
Accrued interest payable	316,646
Unearned revenues	132,338
Obligations under capital leases	41,085
Bonds payable	500,000
Total current liabilities	<u>1,475,221</u>
Noncurrent liabilities:	
Non-current portion of long-term obligations	14,405,399
Total non-current liabilities	<u>14,405,399</u>
Total liabilities	<u>15,880,620</u>
<u>NET ASSETS</u>	
Invested in capital assets, net of related debt	7,223,915
Restricted for:	
Debt service	126,446
Capital outlay	110,495
Unrestricted	1,674,412
Total net assets	<u>\$ 9,135,268</u>

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2009

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for	Operating	Capital	Revenue
		Services	Grants and	Grants and	and Changes
			Contributions	Contributions	in Net Assets
					Governmental
					Activities
Governmental activities:					
Instruction	\$ 5,853,376	\$ 617,830	\$ 385,297	\$ 39,306	\$ (4,810,943)
Support services - students and staff	1,024,007		150,318		(873,689)
Support services - administration	1,084,389		33,805		(1,050,584)
Operation and maintenance of plant services	1,426,163	40,410	68,290		(1,317,463)
Student transportation services	480,248				(480,248)
Operation of non-instructional services	342,783	360,107			17,324
Interest on long-term debt	642,970				(642,970)
Total governmental activities	\$ 10,853,936	\$ 1,018,347	\$ 637,710	\$ 39,306	(9,158,573)
General revenues:					
Taxes:					
Property taxes, levied for general purposes					4,659,345
Property taxes, levied for debt service					662,570
Property taxes, levied for capital outlay					189,646
Investment income					106,415
Unrestricted state aid					2,278,437
Total general revenues					7,896,413
Changes in net assets					(1,262,160)
Net assets, beginning of year					10,397,428
Net assets, end of year					\$ 9,135,268

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

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FUND FINANCIAL STATEMENTS

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2009

	<u>General</u>	<u>Debt Service</u>	<u>Bond Building</u>
<u>ASSETS</u>			
Cash and investments	\$	\$ 910,737	\$ 659,291
Property taxes receivable	221,791	32,355	
Due from governmental entities	443,984		
Due from other funds			557,591
Prepaid items	436,507		
Inventory, at cost			
Total assets	<u>\$ 1,102,282</u>	<u>\$ 943,092</u>	<u>\$ 1,216,882</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 121,096	\$	\$ 14,230
Construction contracts payable			264,512
Due to governmental entities			
Due to other funds	557,591		
Deferred revenues	287,931		
Bonds payable		500,000	
Bond interest payable		316,646	
Total liabilities	<u>966,618</u>	<u>816,646</u>	<u>278,742</u>
Fund balances (deficits):			
Reserved for prepaid items	436,507		
Reserved for inventory			
Unreserved:			
Undesignated	(300,843)	126,446	938,140
Unreserved reported in:			
Special revenue funds			
Capital projects funds			
Total fund balances	<u>135,664</u>	<u>126,446</u>	<u>938,140</u>
Total liabilities and fund balances	<u>\$ 1,102,282</u>	<u>\$ 943,092</u>	<u>\$ 1,216,882</u>

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 959,541	\$ 2,529,569
8,084	262,230
125,704	569,688
165,697	723,288
	436,507
3,954	3,954
<u>\$ 1,262,980</u>	<u>\$ 4,525,236</u>

\$ 69,879	\$ 205,205
	264,512
435	435
165,697	723,288
143,903	431,834
	500,000
	316,646
<u>379,914</u>	<u>2,441,920</u>

	436,507
3,954	3,954
	763,743
772,317	772,317
106,795	106,795
<u>883,066</u>	<u>2,083,316</u>
<u>\$ 1,262,980</u>	<u>\$ 4,525,236</u>

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MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2009

Total governmental fund balances	\$	2,083,316
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Amounts reported for *governmental activities* in the Statement of Net Assets are different because:

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

Governmental capital assets	\$ 28,073,907	
Less accumulated depreciation	<u>(6,859,967)</u>	21,213,940

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

Property taxes	142,206	
Intergovernmental	<u>157,290</u>	299,496

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

Compensated absences payable	(33,319)	
Obligations under capital leases	(103,165)	
Bonds payable	<u>(14,325,000)</u>	<u>(14,461,484)</u>

Net assets of governmental activities	\$	<u>9,135,268</u>
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The notes to the financial statements are an integral part of this statement.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009

	General	Debt Service	Bond Building
Revenues:			
Other local	\$ 165,009	\$ 17,663	\$ 73,559
Property taxes	4,608,642	662,570	
State aid and grants	1,610,411		
Federal aid, grants and reimbursements			
Total revenues	<u>6,384,062</u>	<u>680,233</u>	<u>73,559</u>
Expenditures:			
Current -			
Instruction	3,740,740		
Support services - students and staff	753,703		
Support services - administration	932,622		
Operation and maintenance of plant services	1,002,033		
Student transportation services	378,031		
Operation of non-instructional services			
Capital outlay			6,234,813
Debt service -			
Judgments against the district	60,401	9,990	
Interest and fiscal charges		633,294	
Principal retirement		500,000	
Total expenditures	<u>6,867,530</u>	<u>1,143,284</u>	<u>6,234,813</u>
Excess (deficiency) of revenues over expenditures	<u>(483,468)</u>	<u>(463,051)</u>	<u>(6,161,254)</u>
Other financing sources (uses):			
Transfer in		73,560	
Transfer out			(73,560)
Total other financing sources (uses)		<u>73,560</u>	<u>(73,560)</u>
Changes in fund balances	<u>(483,468)</u>	<u>(389,491)</u>	<u>(6,234,814)</u>
Fund balances, beginning of year	613,225	515,937	7,172,954
(Decrease) in reserve for inventory			
Increase in reserve for prepaid items	5,907		
Fund balances, end of year	<u>\$ 135,664</u>	<u>\$ 126,446</u>	<u>\$ 938,140</u>

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 868,531	\$ 1,124,762
192,940	5,464,152
715,385	2,325,796
537,044	537,044
<u>2,313,900</u>	<u>9,451,754</u>

1,676,998	5,417,738
198,899	952,602
74,120	1,006,742
135,533	1,137,566
8,326	386,357
339,914	339,914
606,655	6,841,468
	70,391
9,676	642,970
82,048	582,048
<u>3,132,169</u>	<u>17,377,796</u>

<u>(818,269)</u>	<u>(7,926,042)</u>
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12,862	86,422
<u>(12,862)</u>	<u>(86,422)</u>

<u>(818,269)</u>	<u>(7,926,042)</u>
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1,702,096	10,004,212
(761)	(761)
	5,907

<u>\$ 883,066</u>	<u>\$ 2,083,316</u>
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MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2009

Net changes in fund balances - total governmental funds **\$ (7,920,896)**

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

Governmental funds report the portion of capital outlay for capitalized assets as expenditures. However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense.

Expenditures for capitalized assets	\$ 6,286,544	
Less current year depreciation	<u>(430,459)</u>	5,856,085

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

Property taxes	47,409	
Intergovernmental	<u>92,613</u>	140,022

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

Capital lease principal retirement	82,048	
Bond principal retirement	<u>500,000</u>	582,048

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.

Judgments	64,677	
Compensated absences	<u>15,904</u>	<u>80,581</u>

Change in net assets in governmental activities **\$ (1,262,160)**

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2009

	<u>Agency</u>
<u>ASSETS</u>	
Cash and investments	\$ 77,125
Total assets	<u>\$ 77,125</u>
<u>LIABILITIES</u>	
Deposits held for others	3,937
Due to student groups	73,188
Total liabilities	<u>\$ 77,125</u>

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Mingus Union High School District No. 4 (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, bookstore, and athletic functions.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

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, and unrestricted State aid, and other items not included among program revenues are reported instead as general revenues.

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

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

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

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. Miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash. Grants and similar awards are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. Deferred revenues arise when resources are received by the District before it has legal claim to them, as when grant monies are received prior to meeting all eligibility requirements imposed by the provider.

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

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

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

The District reports the following major governmental funds:

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

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 cost.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

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

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

Additionally, the District reports the following fund type:

Fiduciary Funds – The Fiduciary Funds are Agency Funds which account for resources held by the District on behalf of others and include the Student Activities Fund and Employee Withholding Fund. The Student Activities Fund accounts for monies raised by students to finance student clubs and organizations. The Employee Withholding Fund accounts for voluntary deductions temporarily held by the District until distributed.

The Agency Funds are custodial in nature and do not have a measurement focus. The Agency Funds are reported by fund type.

D. Cash and Investments

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

All investments are 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.

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.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

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

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

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

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

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

G. Inventory

All inventories are valued at cost using the 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 service inventory consists of food donated by the USDA. It is valued at estimated market prices paid by the USDA.

H. Prepaid Items

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

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

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.

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

Land improvements	5 – 50 years
Buildings and improvements	5 – 50 years
Vehicles, furniture and equipment	5 – 25 years

J. Compensated Absences

The District's employee vacation and sick leave policies generally provide for granting vacation and sick leave with pay. The District's compensated absences consist solely of accrued vacation. Vacation leave vests with employees at the employees' rate of pay. Employees may accumulate up to 12 weeks of sick leave, depending on years of service, but any vacation hours earned in any school year must be used by September 1 of the following year or it shall be forfeited. The current and long-term liabilities, including related benefits, for accumulated vacation and sick leave are reported on the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee leave, resignations and retirements. Generally, resources from the General Fund are used to pay for compensated absences.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

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

K. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities on the statement of net 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.

M. Interfund Activity

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

N. Estimates

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Individual Deficit Fund Balance – At year end the following individual non-major governmental fund reported a deficit in fund balance.

	<u>Deficit</u>
Non-Major Governmental Fund	
Classroom Site	\$ 83,123

The deficit arose because of operations during the year. Additional revenues received in fiscal year 2009-10 are expected to eliminate the deficit.

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

NOTE 3 – CASH AND INVESTMENTS

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

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure the District's deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District's deposits was \$1,100,940, and the bank balance was \$1,227,369. Of the bank balance, \$250,000 was covered by Federal depository insurance, \$863,441 was covered by collateral held by the pledging financial institution \$101,100 was guaranteed under the transaction account guarantee component of the Temporary Liquidity Guarantee Program, and \$12,828 was uninsured and uncollateralized.

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 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.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 3 – CASH AND INVESTMENTS (Concl'd)

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

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer's investment pool	547 days	\$ 1,505,754
Total		<u>\$ 1,505,754</u>

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

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

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

NOTE 4 – RECEIVABLES

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

	<u>General Fund</u>	<u>Non-Major Governmental Funds</u>
Due from other governmental entities:		
Due from Federal government	\$ 443,984	\$ 21,969
Due from State government	443,984	103,735
Net Due from other governmental entities:	<u>\$ 443,984</u>	<u>\$ 125,704</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.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 4 – RECEIVABLES (Concl'd)

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)	\$ 138,506	\$
Delinquent property taxes receivable (Non-Major Governmental Funds)	3,700	
Grant drawdowns prior to meeting all eligibility requirements (Non-Major Governmental Funds)		132,338
Measurable but unavailable revenues (General Fund)	149,425	
Measurable but unavailable revenues (Non-Major Governmental Funds)	7,865	
Total deferred revenue for governmental funds	<u>\$ 299,496</u>	<u>\$ 132,338</u>

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	\$ 30,000	\$	\$	\$ 30,000
Construction in progress	7,859,510	6,234,814		14,094,324
Total capital assets, not being depreciated	<u>7,889,510</u>	<u>6,234,814</u>		<u>14,124,324</u>
Capital assets, being depreciated:				
Land improvements	643,322	5,760		649,082
Buildings and improvements	10,615,068			10,615,068
Vehicles, furniture and equipment	2,639,463	45,970		2,685,433
Total capital assets being depreciated	<u>13,897,853</u>	<u>51,730</u>		<u>13,949,583</u>
Less accumulated depreciation for:				
Land improvements	(635,820)	(3,590)		(639,410)
Buildings and improvements	(4,586,388)	(240,036)		(4,826,424)
Vehicles, furniture and equipment	(1,207,300)	(186,833)		(1,394,133)
Total accumulated depreciation	<u>(6,429,508)</u>	<u>(430,459)</u>		<u>(6,859,967)</u>
Total capital assets, being depreciated, net	7,468,345	(378,729)		7,089,616
Governmental activities capital assets, net	<u>\$ 15,357,855</u>	<u>\$ 5,856,085</u>	<u>\$</u>	<u>\$ 21,213,940</u>

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 5 – CAPITAL ASSETS (Concl'd)

Depreciation expense was charged to governmental functions as follows.

Instruction	\$ 93,427
Support services – students and staff	10,017
Support services – administration	3,652
Operation and maintenance of plant services	264,042
Student transportation services	57,213
Operation of non-instructional services	2,108
Total depreciation expense – governmental activities	<u>\$ 430,459</u>

Construction Commitments – At year end, the District had contractual commitments related to one capital project for the renovation of the High School building. At year end the District had spent \$14.1 million on the project and had estimated remaining contractual commitments at \$922,040. This project is being funded with bond proceeds.

NOTE 6 – OBLIGATIONS UNDER CAPITAL LEASES

The District has acquired buses 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 and Soft Capital Allocation Funds, non-major governmental funds, are used to pay the capital lease obligations.

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

	<u>Governmental Activities</u>
Asset:	
Vehicles, furniture and equipment	\$ 312,190
Less: Accumulated depreciation	177,763
Total	<u>\$ 134,427</u>

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

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

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

Year Ending June 30:	Governmental Activities
2010	\$ 46,055
2011	46,055
2012	19,925
Total minimum lease payments	112,035
Less: amount representing interest	8,870
Present value of minimum lease payments	103,165
Due within one year	\$ 41,085

NOTE 7 – GENERAL OBLIGATION BONDS PAYABLE

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

Purpose	Original Amount Issued	Interest Rates	Maturity	Outstanding Principal June 30, 2009	Due Within One Year
Governmental activities:					
School Improvement Bonds, 2007	\$ 15,000,000	4.0-5.0%	7/1/09-22	\$ 14,825,000	\$ 500,000
Total				\$ 14,825,000	\$ 500,000

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

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

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

Year ending June 30:	Governmental Activities	
	Principal	Interest
2010	\$ 500,000	\$ 623,295
2011	625,000	600,793
2012	750,000	573,293
2013	925,000	539,793
2014	995,000	500,149
2015-19	5,615,000	1,837,730
2020-23	5,415,000	513,529
Total	<u>\$ 14,825,000</u>	<u>\$ 5,188,582</u>

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	\$ 15,000,000	\$	\$ 175,000	\$ 14,825,000	\$ 500,000
Obligations under capital leases	185,213		82,048	103,165	41,085
Compensated absences payable	49,223	63,007	78,911	33,319	15,000
Judgments payable	64,677		64,677		
Governmental activity long-term liabilities	<u>\$ 15,299,113</u>	<u>\$ 63,007</u>	<u>\$ 400,636</u>	<u>\$ 14,961,484</u>	<u>\$ 556,085</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	
	General Fund	Non-Major Governmental Funds
Bond Building Fund	\$ 557,591	\$
Non-Major Governmental Funds		165,697
Total	<u>\$ 557,591</u>	<u>\$ 165,697</u>
		<u>\$ 723,288</u>

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

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

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 in		
	Debt Service Fund	Non-Major Governmental Funds	Total
Transfers out			
Bond Building Fund	\$ 73,560	\$	\$ 73,560
Non-Major Governmental Funds		12,862	12,862
Total	<u>\$ 73,560</u>	<u>\$ 12,862</u>	<u>\$ 86,422</u>

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

NOTE 10 – CONTINGENT LIABILITIES

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

NOTE 11 – RISK MANAGEMENT

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

The District was unable to obtain general property and liability insurance at a cost it considered to be economically justifiable. Therefore, the District joined the Arizona School Risk Retention Trust, Inc. (ASRRT), together with other school districts and community colleges in the State. 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.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 11 – RISK MANAGEMENT (Concl'd)

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

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

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 9.45 percent (8.95 percent for retirement and 0.5 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 9.45 percent (7.99 percent for retirement, 0.96 percent for health insurance premium, and 0.5 percent for long-term disability) of the members' annual covered payroll.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 12 – RETIREMENT PLAN (Concl'd)

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

	Retirement Fund	Health Benefit Supplement Fund	Long-Term Disability Fund
Year ending June 30:			
2009	\$ 398,952	\$ 47,934	\$ 24,966
2008	423,874	55,288	26,328
2007	350,899	48,801	23,238

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS

The District provides postretirement health and dental care benefits for certain retirees and their dependents. The District pays a portion of the premiums of health and dental care coverage for employees who retire with 15 year of full-time service. The District's regular health and dental care benefit providers underwrite the retiree's policies. Retirees may not convert the benefit into an in-lieu payment to secure coverage under independent plans.

As of year-end, there were 21 employees who had retired with 15 years of full-time service that were receiving a portion of the premium-coverage benefit. The District finances the plan on a pay-as-you-go basis. For the year ended June 30, 2009, the District paid \$57,807 for these benefits, which was net of \$43,200 of retiree contribution.

NOTE 14 – FUTURE REPORTING REQUIREMENTS

The Governmental Accounting Standards Board (GASB) issued Statement No. 45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This statement requires the District to recognize the cost of these benefits in periods when the related services are received by the District. In addition, the statement also requires additional disclosures about the actuarial accrued liabilities for promised benefits associated with past services in notes to the financial statements. The District will implement GASB Statement No. 45 for fiscal year ending 2010. Management is in the process of evaluating the effect of this statement on the District's financial statements.

NOTE 15 – SUBSEQUENT EVENT

In 2010 the District acquired a bus under the provisions of a long term lease agreement, classified as a capital lease. The total present value of the minimum lease payments of \$59,026 is payable over the next three years. Revenues from the Unrestricted Capital Outlay Fund, a non-major governmental fund, will be used to pay the capital lease obligations.

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Variance with Final Budget Positive (Negative)	
	Original	Final	Actual	
Revenues:				
Other local	\$ 183,916	\$ 183,916	\$ 165,009	\$ (18,907)
Property taxes	5,107,812	5,107,812	4,608,642	(499,170)
State aid and grants	1,794,933	1,794,933	1,610,411	(184,522)
Total revenues	<u>7,086,661</u>	<u>7,086,661</u>	<u>6,384,062</u>	<u>(702,599)</u>
Expenditures:				
Regular education				
Instruction	3,317,010	3,169,642	2,901,359	268,283
Support services - students and staff	424,798	538,179	660,598	(122,419)
Support services - administration	926,886	919,019	932,622	(13,603)
Operation and maintenance of plant services	1,119,450	1,119,450	973,573	145,877
Total regular education	<u>5,788,144</u>	<u>5,746,290</u>	<u>5,468,152</u>	<u>278,138</u>
Special education				
Instruction	626,566	742,304	839,381	(97,077)
Support services - students and staff	37,582	37,582	48,150	(10,568)
Total special education	<u>664,148</u>	<u>779,886</u>	<u>887,531</u>	<u>(107,645)</u>
Pupil transportation				
Operation and maintenance of plant services			28,460	(28,460)
Student transportation services	537,270	537,270	378,031	159,239
Total pupil transportation	<u>537,270</u>	<u>537,270</u>	<u>406,491</u>	<u>130,779</u>
Dropout prevention programs				
Support services - students and staff	32,422	32,422	44,955	(12,533)
Total dropout prevention programs	<u>32,422</u>	<u>32,422</u>	<u>44,955</u>	<u>(12,533)</u>
Debt service				
Judgments against the district	64,677	64,677	60,401	4,276
Total debt service	<u>64,677</u>	<u>64,677</u>	<u>60,401</u>	<u>4,276</u>
Total expenditures	<u>7,086,661</u>	<u>7,160,545</u>	<u>6,867,530</u>	<u>293,015</u>
Change in fund balances		<u>(73,884)</u>	<u>(483,468)</u>	<u>(409,584)</u>
Fund balances (deficits), July 1, 2008	(715,147)	(715,417)	613,225	1,328,642
Increase in reserve for prepaid items			5,907	5,907
Fund balances (deficits), June 30, 2009	<u>\$ (715,147)</u>	<u>\$ (789,301)</u>	<u>\$ 135,664</u>	<u>\$ 924,965</u>

See accompanying notes to this schedule.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2009

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

The adopted budget of the District is prepared on a basis of accounting consistent with accounting principles generally accepted in the United States of America.

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

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - DEBT SERVICE
YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original & Final</u>	<u>Actual</u>	
Revenues:			
Other local	\$	\$ 17,663	\$ 17,663
Property taxes		662,570	662,570
Total revenues		680,233	680,233
Expenditures:			
Debt service -			
Judgments against the district		9,990	(9,990)
Interest and fiscal charges	633,294	633,294	
Principal retirement	500,000	500,000	
Total expenditures	1,133,294	1,143,284	(9,990)
Excess (deficiency) of revenues over expenditures	(1,133,294)	(463,051)	670,243
Other financing sources (uses):			
Transfer in		73,560	73,560
Total other financing sources (uses)		73,560	73,560
Change in fund balances	(1,133,294)	(389,491)	743,803
Fund balances, July 1, 2008		515,937	515,937
Fund balances (deficits), June 30, 2009	\$ (1,133,294)	\$ 126,446	\$ 1,259,740

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - BOND BUILDING
YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original & Final</u>	<u>Actual</u>	
Revenues:			
Other local	\$	\$ 73,559	\$ 73,559
Total revenues		73,559	73,559
Expenditures:			
Capital outlay	6,390,909	6,234,813	156,096
Total expenditures	6,390,909	6,234,813	156,096
Excess (deficiency) of revenues over expenditures	(6,390,909)	(6,161,254)	229,655
Other financing sources (uses):			
Transfer out		(73,560)	(73,560)
Total other financing sources (uses)		(73,560)	(73,560)
Change in fund balances	(6,390,909)	(6,234,814)	156,095
Fund balances, July 1, 2008		7,172,954	7,172,954
Fund balances (deficits), June 30, 2009	\$ (6,390,909)	\$ 938,140	\$ 7,329,049

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NON-MAJOR GOVERNMENTAL FUNDS

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2009

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<u>ASSETS</u>			
Cash and investments	\$ 824,655	\$ 134,886	\$ 959,541
Property taxes receivable		8,084	8,084
Due from governmental entities	105,565	20,139	125,704
Due from other funds	165,697		165,697
Inventory, at cost	3,954		3,954
Total assets	<u><u>\$ 1,099,871</u></u>	<u><u>\$ 163,109</u></u>	<u><u>\$ 1,262,980</u></u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 25,130	\$ 44,749	\$ 69,879
Due to governmental entities	435		435
Due to other funds	165,697		165,697
Deferred revenues	132,338	11,565	143,903
Total liabilities	<u><u>323,600</u></u>	<u><u>56,314</u></u>	<u><u>379,914</u></u>
Fund balances:			
Reserved for inventory	3,954		3,954
Unreserved:			
Undesignated	772,317	106,795	879,112
Total fund balances	<u><u>776,271</u></u>	<u><u>106,795</u></u>	<u><u>883,066</u></u>
Total liabilities and fund balances	<u><u>\$ 1,099,871</u></u>	<u><u>\$ 163,109</u></u>	<u><u>\$ 1,262,980</u></u>

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
YEAR ENDED JUNE 30, 2009

	Special Revenue	Capital Projects	Total Non-Major Governmental Funds
Revenues:			
Other local	\$ 849,917	\$ 18,614	\$ 868,531
Property taxes		192,940	192,940
State aid and grants	639,416	75,969	715,385
Federal aid, grants and reimbursements	537,044		537,044
Total revenues	<u>2,026,377</u>	<u>287,523</u>	<u>2,313,900</u>
Expenditures:			
Current -			
Instruction	1,676,998		1,676,998
Support services - students and staff	198,899		198,899
Support services - administration	74,120		74,120
Operation and maintenance of plant services	135,533		135,533
Student transportation services	8,326		8,326
Operation of non-instructional services	339,914		339,914
Capital outlay	162,890	443,765	606,655
Debt service -			
Interest and fiscal charges		9,676	9,676
Principal retirement		82,048	82,048
Total expenditures	<u>2,596,680</u>	<u>535,489</u>	<u>3,132,169</u>
Excess (deficiency) of revenues over expenditures	<u>(570,303)</u>	<u>(247,966)</u>	<u>(818,269)</u>
Other financing sources (uses):			
Transfer in	12,862		12,862
Transfer out	(12,862)		(12,862)
Total other financing sources (uses)	<u></u>	<u></u>	<u></u>
Change in fund balances	<u>(570,303)</u>	<u>(247,966)</u>	<u>(818,269)</u>
Fund balances, beginning of year	1,347,335	354,761	1,702,096
(Decrease) in reserve for inventory	(761)		(761)
Fund balances, end of year	<u>\$ 776,271</u>	<u>\$ 106,795</u>	<u>\$ 883,066</u>

NON-MAJOR SPECIAL REVENUE FUNDS

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

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

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

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

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.

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

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

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

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

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

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

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

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

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.

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

Career and Technical Education and Vocational Education Projects - to account for activity related to the production and subsequent sale of items produced in an instructional program by career and technical and vocational education pupils.

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

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

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

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

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

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2009

	Classroom Site	Instructional Improvement	Structured English Immersion	Title I Grants
<u>ASSETS</u>				
Cash and investments	\$	\$ 15,641	\$ 779	\$
Due from governmental entities	68,983	14,613		6,948
Due from other funds		165,697		
Inventory, at cost				
Total assets	<u>\$ 68,983</u>	<u>\$ 195,951</u>	<u>\$ 779</u>	<u>\$ 6,948</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$	\$	\$	\$
Due to governmental entities				
Due to other funds	152,106			6,948
Deferred revenues			779	
Total liabilities	<u>152,106</u>	<u></u>	<u>779</u>	<u>6,948</u>
Fund balances (deficits):				
Reserved for inventory				
Unreserved:				
Undesignated	(83,123)	195,951		
Total fund balances	<u>(83,123)</u>	<u>195,951</u>	<u></u>	<u></u>
Total liabilities and fund balances	<u>\$ 68,983</u>	<u>\$ 195,951</u>	<u>\$ 779</u>	<u>\$ 6,948</u>

Professional Development and Technology Grants	Title IV Grants	Promote Informed Parent Choice	Special Education Grants	Vocational Education	Medicaid Reimbursement
\$ 6,876	\$ 6,682	\$ 1,255	\$ 5,204	\$ 99,869	\$ 35,147 7,084
<u>\$ 6,876</u>	<u>\$ 6,682</u>	<u>\$ 1,255</u>	<u>\$ 5,204</u>	<u>\$ 99,869</u>	<u>\$ 42,231</u>
\$	\$	\$ 997	\$	\$	\$ 4,125
	297		138		
	6,385	258			
<u>6,876</u>			<u>5,066</u>	<u>99,869</u>	
<u>6,876</u>	<u>6,682</u>	<u>1,255</u>	<u>5,204</u>	<u>99,869</u>	<u>4,125</u>
					38,106
					<u>38,106</u>
<u>\$ 6,876</u>	<u>\$ 6,682</u>	<u>\$ 1,255</u>	<u>\$ 5,204</u>	<u>\$ 99,869</u>	<u>\$ 42,231</u>

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2009
(Continued)

	Other Federal Projects	State Vocational Education	Extended School Year - Pupils with Disabilities	Chemical Abuse Prevention Programs
<u>ASSETS</u>				
Cash and investments	\$ 4,044	\$ 18,474	\$ 28	\$ 28
Due from governmental entities				
Due from other funds				
Inventory, at cost				
Total assets	<u>\$ 4,044</u>	<u>\$ 18,474</u>	<u>\$ 28</u>	<u>\$ 28</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$	\$ 2,881	\$	\$
Due to governmental entities				
Due to other funds				
Deferred revenues	656	15,593	28	28
Total liabilities	<u>656</u>	<u>18,474</u>	<u>28</u>	<u>28</u>
Fund balances (deficits):				
Reserved for inventory				
Unreserved:				
Undesignated	3,388			
Total fund balances	<u>3,388</u>			
Total liabilities and fund balances	<u>\$ 4,044</u>	<u>\$ 18,474</u>	<u>\$ 28</u>	<u>\$ 28</u>

<u>Academic Contests</u>	<u>Other State Projects</u>	<u>School Plant</u>	<u>Food Service</u>	<u>Civic Center</u>	<u>Community School</u>
\$ 533	\$ 19,600	\$ 527	\$ 1,138	\$ 14,033	\$ 83,713
<u>\$ 533</u>	<u>\$ 19,600</u>	<u>\$ 527</u>	<u>\$ 1,138</u>	<u>\$ 14,033</u>	<u>\$ 83,713</u>
\$	\$ 16,690	\$	\$	\$ 437	\$
533	2,910				
<u>533</u>	<u>19,600</u>			<u>437</u>	
		527	1,138	13,596	83,713
		<u>527</u>	<u>1,138</u>	<u>13,596</u>	<u>83,713</u>
<u>\$ 533</u>	<u>\$ 19,600</u>	<u>\$ 527</u>	<u>\$ 1,138</u>	<u>\$ 14,033</u>	<u>\$ 83,713</u>

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2009
(Concluded)

	Auxiliary Operations	Gifts and Donations	Career and Technical Education and Vocational Education Projects	Insurance Proceeds
<u>ASSETS</u>				
Cash and investments	\$ 284,225	\$ 107,639	\$ 915	\$ 8,868
Due from governmental entities				
Due from other funds				
Inventory, at cost	3,954			
Total assets	<u>\$ 288,179</u>	<u>\$ 107,639</u>	<u>\$ 915</u>	<u>\$ 8,868</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$	\$	\$	\$
Due to governmental entities				
Due to other funds				
Deferred revenues				
Total liabilities				
Fund balances (deficits):				
Reserved for inventory	3,954			
Unreserved:				
Undesignated	284,225	107,639	915	8,868
Total fund balances	<u>288,179</u>	<u>107,639</u>	<u>915</u>	<u>8,868</u>
Total liabilities and fund balances	<u>\$ 288,179</u>	<u>\$ 107,639</u>	<u>\$ 915</u>	<u>\$ 8,868</u>

Textbooks	Litigation Recovery	Indirect Costs	Unemployment Insurance	Joint Technological Education	Totals
\$ 1,707	\$ 2,374	\$ 370	\$ 173	\$ 112,750	\$ 824,655
					105,565
					165,697
					3,954
<u>\$ 1,707</u>	<u>\$ 2,374</u>	<u>\$ 370</u>	<u>\$ 173</u>	<u>\$ 112,750</u>	<u>\$ 1,099,871</u>
\$	\$	\$	\$	\$	\$ 25,130
					435
					165,697
					132,338
					323,600
					3,954
<u>1,707</u>	<u>2,374</u>	<u>370</u>	<u>173</u>	<u>112,750</u>	<u>772,317</u>
<u>1,707</u>	<u>2,374</u>	<u>370</u>	<u>173</u>	<u>112,750</u>	<u>776,271</u>
<u>\$ 1,707</u>	<u>\$ 2,374</u>	<u>\$ 370</u>	<u>\$ 173</u>	<u>\$ 112,750</u>	<u>\$ 1,099,871</u>

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2009

	Classroom Site	Instructional Improvement	Structured English Immersion
Revenues:			
Other local	\$ 1,387	\$ 4,167	\$
State aid and grants	442,814	56,630	1,829
Federal aid, grants and reimbursements			
Total revenues	<u>444,201</u>	<u>60,797</u>	<u>1,829</u>
Expenditures:			
Current -			
Instruction	690,334	87,046	
Support services - students and staff		31,797	1,829
Support services - administration		9,990	
Operation and maintenance of plant services		14,410	
Student transportation services		7,044	
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>690,334</u>	<u>150,287</u>	<u>1,829</u>
Excess (deficiency) of revenues over expenditures	<u>(246,133)</u>	<u>(89,490)</u>	
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	<u>(246,133)</u>	<u>(89,490)</u>	
Fund balances, beginning of year	163,010	285,441	
(Decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (83,123)</u>	<u>\$ 195,951</u>	<u>\$</u>

Title I Grants	Professional Development and Technology Grants	Title IV Grants	Promote Informed Parent Choice	Special Education Grants	Medicaid Reimbursement
\$	\$	\$	\$	\$	\$ 1,100
272,834	60,179	8,492	1,103	178,566	12,957
272,834	60,179	8,492	1,103	178,566	14,057
225,893	47,757			100,408	19,828
4,234	10,636		1,060	70,267	7,126
33,002	275				9,138
		8,300			20,287
3,898				2,582	4,939
267,027	58,668	8,300	1,060	173,257	61,318
5,807	1,511	192	43	5,309	(47,261)
(5,807)	(1,511)	(192)	(43)	(5,309)	
(5,807)	(1,511)	(192)	(43)	(5,309)	
					(47,261)
					85,367
\$	\$	\$	\$	\$	\$ 38,106

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2009
(Continued)

	Other Federal Projects	State Vocational Education	Chemical Abuse Prevention Programs
Revenues:			
Other local	\$ 10	\$	\$
State aid and grants		77,997	1,222
Federal aid, grants and reimbursements	2,913		
Total revenues	<u>2,923</u>	<u>77,997</u>	<u>1,222</u>
Expenditures:			
Current -			
Instruction		5,224	
Support services - students and staff		44,886	1,222
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		27,887	
Total expenditures		<u>77,997</u>	<u>1,222</u>
Excess (deficiency) of revenues over expenditures	<u>2,923</u>		
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	<u>2,923</u>		
Fund balances, beginning of year	465		
(Decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ 3,388</u>	<u>\$</u>	<u>\$</u>

Other State Projects	School Plant	Food Service	Civic Center	Community School	Auxiliary Operations
\$ 58,924	\$ 8	\$ 15	\$ 40,692	\$ 153,198	\$ 360,107
58,924	8	15	40,692	153,198	360,107
58,924			3,456	113,833	
			1,781	1,068	
			7,738		
			32,612		
			1,282		
					339,914
58,924			2,717		
58,924			49,586	114,901	339,914
	8	15	(8,894)	38,297	20,193
	8	15	(8,894)	38,297	20,193
	519	1,123	22,490	45,416	268,747
					(761)
\$	\$ 527	\$ 1,138	\$ 13,596	\$ 83,713	\$ 288,179

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2009
(Concluded)

	Gifts and Donations	Career and Technical Education and Vocational Education Projects	Insurance Proceeds
Revenues:			
Other local	\$ 13,233	\$ 14	\$ 5,890
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>13,233</u>	<u>14</u>	<u>5,890</u>
Expenditures:			
Current -			
Instruction	9,785		
Support services - students and staff	16,297		
Support services - administration			
Operation and maintenance of plant services			1,000
Student transportation services			
Operation of non-instructional services			
Capital outlay	700		5,306
Total expenditures	<u>26,782</u>	<u></u>	<u>6,306</u>
Excess (deficiency) of revenues over expenditures	<u>(13,549)</u>	<u>14</u>	<u>(416)</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)	<u></u>	<u></u>	<u></u>
Change in fund balances	<u>(13,549)</u>	<u>14</u>	<u>(416)</u>
Fund balances, beginning of year	121,188	901	9,284
(Decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ 107,639</u>	<u>\$ 915</u>	<u>\$ 8,868</u>

Textbooks	Litigation Recovery	Indirect Costs	Unemployment Insurance	Joint Technological Education	Totals
\$ 167	\$ 283	\$ 6	\$ 3	\$ 269,637	\$ 849,917
					639,416
					537,044
167	283	6	3	269,637	2,026,377
771				372,663	1,676,998
				6,696	198,899
		12,952		1,025	74,120
					135,533
					8,326
					339,914
646	5,111			109,104	162,890
1,417	5,111	12,952		489,488	2,596,680
(1,250)	(4,828)	(12,946)	3	(219,851)	(570,303)
		12,862			12,862
					(12,862)
		12,862			
(1,250)	(4,828)	(84)	3	(219,851)	(570,303)
2,957	7,202	454	170	332,601	1,347,335
					(761)
\$ 1,707	\$ 2,374	\$ 370	\$ 173	\$ 112,750	\$ 776,271

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2009

	Classroom Site		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 2,215	\$ 1,387	\$ (828)
State aid and grants	727,335	442,814	(284,521)
Federal aid, grants and reimbursements			
Total revenues	<u>729,550</u>	<u>444,201</u>	<u>(285,349)</u>
Expenditures:			
Current -			
Instruction	732,632	690,334	42,298
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>732,632</u>	<u>690,334</u>	<u>42,298</u>
Excess (deficiency) of revenues over expenditures	<u>(3,082)</u>	<u>(246,133)</u>	<u>(243,051)</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	<u>(3,082)</u>	<u>(246,133)</u>	<u>(243,051)</u>
Fund balances (deficits), July 1, 2008	(152,104)	163,010	315,114
(Decrease) in reserve for inventory			
Fund balances (deficits), June 30, 2009	<u>\$ (155,186)</u>	<u>\$ (83,123)</u>	<u>\$ 72,063</u>

\$	124,772	\$	195,951	\$	71,179
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\$	\$	\$
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MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2009
(Continued)

	Title I Grants		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	297,517	272,834	(24,683)
Total revenues	<u>297,517</u>	<u>272,834</u>	<u>(24,683)</u>
Expenditures:			
Current -			
Instruction	246,326	225,893	20,433
Support services - students and staff	4,617	4,234	383
Support services - administration	35,991	33,002	2,989
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	4,251	3,898	353
Total expenditures	<u>291,185</u>	<u>267,027</u>	<u>24,158</u>
Excess (deficiency) of revenues over expenditures	<u>6,332</u>	<u>5,807</u>	<u>(525)</u>
Other financing sources (uses):			
Transfer in			
Transfer out	(6,332)	(5,807)	525
Total other financing sources (uses)	<u>(6,332)</u>	<u>(5,807)</u>	<u>525</u>
Change in fund balances			
Fund balances (deficits), July 1, 2008			
(Decrease) in reserve for inventory			
Fund balances (deficits), June 30, 2009	<u>\$</u>	<u>\$</u>	<u>\$</u>

Professional Development and Technology Grants		
Budget	Actual	Variance - Positive (Negative)
\$	\$	\$
68,400	60,179	(8,221)
68,400	60,179	(8,221)
54,281	47,757	6,524
12,089	10,636	1,453
313	275	38
66,683	58,668	8,015
1,717	1,511	(206)
(1,717)	(1,511)	206
(1,717)	(1,511)	206
\$	\$	\$

Title IV Grants		
Budget	Actual	Variance - Positive (Negative)
\$	\$	\$
8,300	8,492	192
8,300	8,492	192
8,112	8,300	(188)
8,112	8,300	(188)
188	192	4
(188)	(192)	(4)
(188)	(192)	(4)
\$	\$	\$

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2009
(Continued)

	Promote Informed Parent Choice		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	2,105	1,103	(1,002)
Total revenues	<u>2,105</u>	<u>1,103</u>	<u>(1,002)</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff	2,023	1,060	963
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>2,023</u>	<u>1,060</u>	<u>963</u>
Excess (deficiency) of revenues over expenditures	<u>82</u>	<u>43</u>	<u>(39)</u>
Other financing sources (uses):			
Transfer in			
Transfer out	(82)	(43)	39
Total other financing sources (uses)	<u>(82)</u>	<u>(43)</u>	<u>39</u>
Change in fund balances			
Fund balances (deficits), July 1, 2008			
(Decrease) in reserve for inventory			
Fund balances (deficits), June 30, 2009	<u>\$</u>	<u>\$</u>	<u>\$</u>

Vocational Education		
Budget	Actual	Variance - Positive (Negative)
\$	\$	\$
100,410		(100,410)
100,410		(100,410)
100,410		100,410
100,410		100,410
\$	\$	\$

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MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2009
(Continued)

	Medicaid Reimbursement		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 6,947	\$ 1,100	\$ (5,847)
State aid and grants			
Federal aid, grants and reimbursements	81,833	12,957	(68,876)
Total revenues	<u>88,780</u>	<u>14,057</u>	<u>(74,723)</u>
Expenditures:			
Current -			
Instruction	28,708	19,828	8,880
Support services - students and staff	10,318	7,126	3,192
Support services - administration	13,230	9,138	4,092
Operation and maintenance of plant services	29,373	20,287	9,086
Student transportation services			
Operation of non-instructional services			
Capital outlay	7,151	4,939	2,212
Total expenditures	<u>88,780</u>	<u>61,318</u>	<u>27,462</u>
Excess (deficiency) of revenues over expenditures		<u>(47,261)</u>	<u>(47,261)</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances		<u>(47,261)</u>	<u>(47,261)</u>
Fund balances (deficits), July 1, 2008		85,367	85,367
(Decrease) in reserve for inventory			
Fund balances (deficits), June 30, 2009	<u>\$</u>	<u>\$ 38,106</u>	<u>\$ 38,106</u>

Other Federal Projects		
Budget	Actual	Variance - Positive (Negative)
\$	\$ 10	\$ 10
3	2,913	2,910
3	2,923	2,920
3		3
3		3
	2,923	2,923
	2,923	2,923
	465	465
\$	\$ 3,388	\$ 3,388

State Vocational Education		
Budget	Actual	Variance - Positive (Negative)
\$ 56,340	\$ 77,997	\$ 21,657
56,340	77,997	21,657
3,773	5,224	(1,451)
32,423	44,886	(12,463)
20,144	27,887	(7,743)
56,340	77,997	(21,657)
\$	\$	\$

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2009
(Continued)

	Chemical Abuse Prevention Programs		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants	1,258	1,222	(36)
Federal aid, grants and reimbursements			
Total revenues	<u>1,258</u>	<u>1,222</u>	<u>(36)</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff	1,258	1,222	36
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>1,258</u>	<u>1,222</u>	<u>36</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 (deficits), July 1, 2008			
(Decrease) in reserve for inventory			
Fund balances (deficits), June 30, 2009	<u>\$</u>	<u>\$</u>	<u>\$</u>

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

62,445	58,924	3,521
<u>62,445</u>	<u>58,924</u>	<u>3,521</u>

§ _____ § _____ § _____

[illegible]

\$	\$ 527	\$ 527
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MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2009
(Continued)

	Food Service		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 15	\$ 15
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		15	15
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures			
Excess (deficiency) of revenues over expenditures		15	15
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances		15	15
Fund balances (deficits), July 1, 2008	1,138	1,123	(15)
(Decrease) in reserve for inventory			
Fund balances (deficits), June 30, 2009	\$ 1,138	\$ 1,138	\$

Civic Center			Community School		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 115,000	\$ 40,692	\$ (74,308)	\$ 130,000	\$ 153,198	\$ 23,198
115,000	40,692	(74,308)	130,000	153,198	23,198
4,989	3,456	1,533	108,170	113,833	(5,663)
2,571	1,781	790	1,015	1,068	(53)
11,170	7,738	3,432			
47,076	32,612	14,464			
1,851	1,282	569			
3,922	2,717	1,205			
71,579	49,586	21,993	109,185	114,901	(5,716)
43,421	(8,894)	(52,315)	20,815	38,297	17,482
43,421	(8,894)	(52,315)	20,815	38,297	17,482
13,945	22,490	8,545	123,837	45,416	(78,421)
\$ 57,366	\$ 13,596	\$ (43,770)	\$ 144,652	\$ 83,713	\$ (60,939)

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2009
(Continued)

	Auxiliary Operations	
	Budget*	Variance - Positive (Negative)
Revenues:		
Other local	\$	\$ 360,107
State aid and grants		
Federal aid, grants and reimbursements		
Total revenues		360,107
Expenditures:		
Current -		
Instruction		
Support services - students and staff		
Support services - administration		
Operation and maintenance of plant services		
Student transportation services		
Operation of non-instructional services		339,914
Capital outlay		
Total expenditures		339,914
Excess (deficiency) of revenues over expenditures		20,193
Other financing sources (uses):		
Transfer in		
Transfer out		
Total other financing sources (uses)		
Change in fund balances		20,193
Fund balances (deficits), July 1, 2008		268,747
(Decrease) in reserve for inventory		(761)
Fund balances (deficits), June 30, 2009	\$	\$ 288,179

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

Gifts and Donations		
Budget	Actual	Variance - Positive (Negative)
\$ 117,000	\$ 13,233	\$ (103,767)
117,000	13,233	(103,767)
66,130	9,785	56,345
110,139	16,297	93,842
4,731	700	4,031
181,000	26,782	154,218
(64,000)	(13,549)	50,451
(64,000)	(13,549)	50,451
106,139	121,188	15,049
\$ 42,139	\$ 107,639	\$ 65,500

Career and Technical Education and Vocational Education Projects		
Budget	Actual	Variance - Positive (Negative)
\$ 14	\$ 14	\$ 14
14	14	14
14	14	14
14	14	14
14	14	14
25	901	876
\$ 25	\$ 915	\$ 890

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2009
(Continued)

	Insurance Proceeds		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 10,000	\$ 5,890	\$ (4,110)
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>10,000</u>	<u>5,890</u>	<u>(4,110)</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services	4,757	1,000	3,757
Student transportation services			
Operation of non-instructional services			
Capital outlay	25,243	5,306	19,937
Total expenditures	<u>30,000</u>	<u>6,306</u>	<u>23,694</u>
Excess (deficiency) of revenues over expenditures	<u>(20,000)</u>	<u>(416)</u>	<u>19,584</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Change in fund balances	<u>(20,000)</u>	<u>(416)</u>	<u>19,584</u>
Fund balances (deficits), July 1, 2008	8,868	9,284	416
(Decrease) in reserve for inventory			
Fund balances (deficits), June 30, 2009	<u>\$ (11,132)</u>	<u>\$ 8,868</u>	<u>\$ 20,000</u>

Textbooks			Litigation Recovery		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 3,000	\$ 167	\$ (2,833)	\$ 7,000	\$ 283	\$ (6,717)
3,000	167	(2,833)	7,000	283	(6,717)
1,368	771	597			
1,632	646	986	7,200	5,111	2,089
3,000	1,417	1,583	7,200	5,111	2,089
	(1,250)	(1,250)	(200)	(4,828)	(4,628)
	(1,250)	(1,250)	(200)	(4,828)	(4,628)
1,707	2,957	1,250	2,374	7,202	4,828
\$ 1,707	\$ 1,707	\$	\$ 2,174	\$ 2,374	\$ 200

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2009
(Continued)

	Indirect Costs		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 6	\$ 6
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>6</u>	<u>6</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration	5,100	12,952	(7,852)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>5,100</u>	<u>12,952</u>	<u>(7,852)</u>
Excess (deficiency) of revenues over expenditures	<u>(5,100)</u>	<u>(12,946)</u>	<u>(7,846)</u>
Other financing sources (uses):			
Transfer in		12,862	12,862
Transfer out			
Total other financing sources (uses)		<u>12,862</u>	<u>12,862</u>
Change in fund balances	<u>(5,100)</u>	<u>(84)</u>	<u>5,016</u>
Fund balances (deficits), July 1, 2008	460	454	(6)
(Decrease) in reserve for inventory			
Fund balances (deficits), June 30, 2009	<u>\$ (4,640)</u>	<u>\$ 370</u>	<u>\$ 5,010</u>

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2009
(Concluded)

	Totals		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 1,139,741	\$ 849,917	\$ (289,824)
State aid and grants	1,088,113	639,416	(448,697)
Federal aid, grants and reimbursements	732,478	537,044	(195,434)
Total revenues	<u>2,960,332</u>	<u>2,026,377</u>	<u>(933,955)</u>
Expenditures:			
Current -			
Instruction	2,176,712	1,676,998	499,714
Support services - students and staff	320,731	198,899	121,832
Support services - administration	87,446	74,120	13,326
Operation and maintenance of plant services	180,770	135,533	45,237
Student transportation services	16,031	8,326	7,705
Operation of non-instructional services		339,914	(339,914)
Capital outlay	239,833	162,890	76,943
Total expenditures	<u>3,021,523</u>	<u>2,596,680</u>	<u>424,843</u>
Excess (deficiency) of revenues over expenditures	<u>(61,191)</u>	<u>(570,303)</u>	<u>(509,112)</u>
Other financing sources (uses):			
Transfer in		12,862	12,862
Transfer out	(13,490)	(12,862)	628
Total other financing sources (uses)	<u>(13,490)</u>		<u>13,490</u>
Change in fund balances	<u>(74,681)</u>	<u>(570,303)</u>	<u>(495,622)</u>
Fund balances (deficits), July 1, 2008	389,945	1,347,335	957,390
(Decrease) in reserve for inventory		(761)	(761)
Fund balances (deficits), June 30, 2009	<u>\$ 315,264</u>	<u>\$ 776,271</u>	<u>\$ 461,007</u>

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

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

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

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.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2009

	Unrestricted Capital Outlay	Adjacent Ways	Soft Capital Allocation	Building Renewal
<u>ASSETS</u>				
Cash and investments	\$ 76,878	\$ 237	\$ 22,861	\$ 34,910
Property taxes receivable	4,042		4,042	
Due from governmental entities	12,429		7,710	
Total assets	\$ 93,349	\$ 237	\$ 34,613	\$ 34,910
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 33,479	\$	\$ 11,270	\$
Deferred revenues	6,827		4,738	
Total liabilities	40,306		16,008	
Fund balances:				
Unreserved:				
Undesignated	53,043	237	18,605	34,910
Total fund balances	53,043	237	18,605	34,910
Total liabilities and fund balances	\$ 93,349	\$ 237	\$ 34,613	\$ 34,910

Totals	
\$	134,886
	8,084
	20,139
\$	163,109

\$	44,749
	11,565
	56,314

	106,795
	106,795
\$	163,109

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2009

	Unrestricted Capital Outlay	Adjacent Ways	Soft Capital Allocation
Revenues:			
Other local	\$ 10,057	\$ 6	\$ 7,604
Property taxes	97,785		95,155
State aid and grants	40,113		35,856
Total revenues	<u>147,955</u>	<u>6</u>	<u>138,615</u>
Expenditures:			
Capital outlay	107,915		263,019
Debt service -			
Interest and fiscal charges	6,862		2,814
Principal retirement	39,193		42,855
Total expenditures	<u>153,970</u>		<u>308,688</u>
Change in fund balances	<u>(6,015)</u>	<u>6</u>	<u>(170,073)</u>
Fund balances, beginning of year	59,058	231	188,678
Fund balances, end of year	<u>\$ 53,043</u>	<u>\$ 237</u>	<u>\$ 18,605</u>

Building Renewal	Totals
\$ 947	\$ 18,614
	192,940
	75,969
947	287,523
72,831	443,765
	9,676
	82,048
72,831	535,489
(71,884)	(247,966)
106,794	354,761
\$ 34,910	\$ 106,795

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2009

	Unrestricted Capital Outlay		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 15,537	\$ 10,057	\$ (5,480)
Property taxes	147,493	97,785	(49,708)
State aid and grants	61,970	40,113	(21,857)
Total revenues	<u>225,000</u>	<u>147,955</u>	<u>(77,045)</u>
Expenditures:			
Capital outlay	209,062	107,915	101,147
Debt service -			
Interest and fiscal charges	6,862	6,862	
Principal retirement	39,193	39,193	
Total expenditures	<u>255,117</u>	<u>153,970</u>	<u>101,147</u>
Change in fund balances	<u>(30,117)</u>	<u>(6,015)</u>	<u>24,102</u>
Fund balances, July 1, 2008	71,144	59,058	(12,086)
Fund balances, June 30, 2009	<u>\$ 41,027</u>	<u>\$ 53,043</u>	<u>\$ 12,016</u>

Adjacent Ways		
Budget	Actual	Variance - Positive (Negative)
\$	\$ 6	\$ 6
	6	6
	6	6
237	231	(6)
\$ 237	\$ 237	\$

Soft Capital Allocation		
Budget	Actual	Variance - Positive (Negative)
\$ 18,958	\$ 7,604	\$ (11,354)
238,032	95,155	(142,877)
89,396	35,856	(53,540)
346,386	138,615	(207,771)
285,735	263,019	22,716
2,814	2,814	
42,855	42,855	
331,404	308,688	22,716
14,982	(170,073)	(185,055)
20,963	188,678	167,715
\$ 35,945	\$ 18,605	\$ (17,340)

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2009
(Concluded)

	Building Renewal		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 100,345	\$ 947	\$ (99,398)
Property taxes			
State aid and grants			
Total revenues	<u>100,345</u>	<u>947</u>	<u>(99,398)</u>
Expenditures:			
Capital outlay	100,345	72,831	27,514
Debt service -			
Interest and fiscal charges			
Principal retirement			
Total expenditures	<u>100,345</u>	<u>72,831</u>	<u>27,514</u>
Change in fund balances		<u>(71,884)</u>	<u>(71,884)</u>
Fund balances, July 1, 2008	34,910	106,794	71,884
Fund balances, June 30, 2009	<u>\$ 34,910</u>	<u>\$ 34,910</u>	<u>\$</u>

Totals		
Budget	Actual	Variance - Positive (Negative)
\$ 134,840	\$ 18,614	\$ (116,226)
385,525	192,940	(192,585)
151,366	75,969	(75,397)
671,731	287,523	(384,208)
595,142	443,765	151,377
9,676	9,676	
82,048	82,048	
686,866	535,489	151,377
(15,135)	(247,966)	(232,831)
127,254	354,761	227,507
\$ 112,119	\$ 106,795	\$ (5,324)

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AGENCY FUNDS

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

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
ALL AGENCY FUNDS
JUNE 30, 2009

	Student Activities	Employee Withholding	Totals
<u>ASSETS</u>			
Cash and investments	\$ 73,188	\$ 3,937	\$ 77,125
Total assets	<u>\$ 73,188</u>	<u>\$ 3,937</u>	<u>\$ 77,125</u>
<u>LIABILITIES</u>			
Deposits held for others		3,937	3,937
Due to student groups	73,188		73,188
Total liabilities	<u>\$ 73,188</u>	<u>\$ 3,937</u>	<u>\$ 77,125</u>

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED JUNE 30, 2009

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<u>STUDENT ACTIVITIES FUND</u>				
<u>Assets</u>				
Cash and investments	\$ 96,614	\$ 232,980	\$ 256,406	\$ 73,188
Total assets	<u>\$ 96,614</u>	<u>\$ 232,980</u>	<u>\$ 256,406</u>	<u>\$ 73,188</u>
<u>Liabilities</u>				
Due to student groups	\$ 96,614	\$ 232,980	\$ 256,406	\$ 73,188
Total liabilities	<u>\$ 96,614</u>	<u>\$ 232,980</u>	<u>\$ 256,406</u>	<u>\$ 73,188</u>
<u>EMPLOYEE WITHHOLDING</u>				
<u>Assets</u>				
Cash and investments	\$ 3,873	\$ 5,206,450	\$ 5,206,386	\$ 3,937
Total assets	<u>\$ 3,873</u>	<u>\$ 5,206,450</u>	<u>\$ 5,206,386</u>	<u>\$ 3,937</u>
<u>Liabilities</u>				
Deposits held for others	\$ 3,873	\$ 5,206,450	\$ 5,206,386	\$ 3,937
Total liabilities	<u>\$ 3,873</u>	<u>\$ 5,206,450</u>	<u>\$ 5,206,386</u>	<u>\$ 3,937</u>
<u>TOTAL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash and investments	\$ 100,487	\$ 5,439,430	\$ 5,462,792	\$ 77,125
Total assets	<u>\$ 100,487</u>	<u>\$ 5,439,430</u>	<u>\$ 5,462,792</u>	<u>\$ 77,125</u>
<u>Liabilities</u>				
Deposits held for others	\$ 3,873	\$ 5,206,450	\$ 5,206,386	\$ 3,937
Due to student groups	<u>96,614</u>	<u>232,980</u>	<u>256,406</u>	<u>73,188</u>
Total liabilities	<u>\$ 100,487</u>	<u>\$ 5,439,430</u>	<u>\$ 5,462,792</u>	<u>\$ 77,125</u>

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STATISTICAL SECTION

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

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MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NET ASSETS BY COMPONENT
LAST SIX FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Net Assets:					
Invested in capital assets, net of related debt	\$ 7,223,915	\$ 7,345,596	\$ 7,223,522	\$ 7,655,021	\$ 10,017,530
Restricted	236,941	877,692	310,421	419,767	188,520
Unrestricted	<u>1,674,412</u>	<u>2,174,140</u>	<u>2,451,739</u>	<u>1,996,500</u>	<u>1,510,387</u>
Total net assets	<u><u>\$ 9,135,268</u></u>	<u><u>\$ 10,397,428</u></u>	<u><u>\$ 9,985,682</u></u>	<u><u>\$ 10,071,288</u></u>	<u><u>\$ 11,716,437</u></u>

	<u>2004</u>
Net Assets:	
Invested in capital assets, net of related debt	\$ 9,909,784
Restricted	85,053
Unrestricted	<u>1,280,509</u>
Total net assets	<u><u>\$ 11,275,346</u></u>

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

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST SIX FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Expenses					
Instruction	\$ 5,853,376	\$ 5,548,417	\$ 6,348,099	\$ 7,722,922	\$ 4,653,012
Support services - students and staff	1,024,007	1,060,641	1,044,576	728,967	818,616
Support services - administration	1,084,389	1,067,256	886,618	808,764	988,945
Operation and maintenance of plant services	1,426,163	1,631,585	1,189,263	1,080,002	972,881
Student transportation services	480,248	497,959	434,702	438,792	427,245
Operation of non-instructional services	342,783	326,627	329,144	482,988	522,784
Interest on long-term debt	642,970	890,696	1,116	10,033	9,395
Total expenses	<u>10,853,936</u>	<u>11,023,181</u>	<u>10,233,518</u>	<u>11,272,468</u>	<u>8,392,878</u>
Program Revenues					
Charges for services:					
Instruction	617,830	774,279	947,950	666,930	216,935
Operation of non-instructional services	360,107	373,212	215,985	612,965	291,889
Other activities	40,410	25,417	110,450	151,947	122,467
Operating grants and contributions	637,710	644,483	696,068	1,483,097	1,226,538
Capital grants and contributions	39,306	150,125	104,264		
Total program revenues	<u>1,695,363</u>	<u>1,967,516</u>	<u>2,074,717</u>	<u>2,914,939</u>	<u>1,857,829</u>
Net (Expense)/Revenue	<u><u>\$ (9,158,573)</u></u>	<u><u>\$ (9,055,665)</u></u>	<u><u>\$ (8,158,801)</u></u>	<u><u>\$ (8,357,529)</u></u>	<u><u>\$ (6,535,049)</u></u>

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST SIX FISCAL YEARS
(Accrual basis of accounting)

	<u>Fiscal Year Ended June 30</u>
	<u>2004</u>
Expenses	
Instruction	\$ 4,711,685
Support services - students and staff	922,101
Support services - administration	794,188
Operation and maintenance of plant services	1,247,778
Student transportation services	371,116
Operation of non-instructional services	428,858
Interest on long-term debt	12,850
Total expenses	<u>8,488,576</u>
Program Revenues	
Charges for services:	
Instruction	228,412
Operation of non-instructional services	311,405
Other activities	118,701
Operating grants and contributions	1,202,820
Capital grants and contributions	
Total program revenues	<u>1,861,338</u>
Net (Expense)/Revenue	<u><u>\$ (6,627,238)</u></u>

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

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

(Concluded)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
GENERAL REVENUES AND TOTAL CHANGES IN NET ASSETS
LAST SIX FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Net (Expense)/Revenue	\$ (9,158,573)	\$ (9,055,665)	\$ (8,158,801)	\$ (8,357,529)	\$ (6,535,049)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	4,659,345	4,174,015	4,404,614	4,245,422	3,904,464
Property taxes, levied for debt service	662,570	1,111,940	1,914		
Property taxes, levied for capital outlay	189,646	314,079	123,154		
Investment income	106,415	517,369	299,694	55,865	20,066
Unrestricted county aid			563	218,083	257,217
Unrestricted state aid	2,278,437	3,350,008	3,243,256	2,186,665	2,767,145
Other				6,345	27,248
Total general revenues	<u>7,896,413</u>	<u>9,467,411</u>	<u>8,073,195</u>	<u>6,712,380</u>	<u>6,976,140</u>
Changes in Net Assets	<u>\$ (1,262,160)</u>	<u>\$ 411,746</u>	<u>\$ (85,606)</u>	<u>\$ (1,645,149)</u>	<u>\$ 441,091</u>

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
GENERAL REVENUES AND TOTAL CHANGES IN NET ASSETS
LAST SIX FISCAL YEARS
(Accrual basis of accounting)

	<u>Fiscal Year Ended June 30</u>
	<u>2004</u>
Net (Expense)/Revenue	\$ (6,627,238)
General Revenues:	
Taxes:	
Property taxes, levied for general purposes	3,755,430
Property taxes, levied for debt service	
Property taxes, levied for capital outlay	
Investment income	12,570
Unrestricted county aid	337,520
Unrestricted state aid	4,207,558
Unrestricted federal aid	768
Total general revenues	<u>8,313,846</u>
Changes in Net Assets	<u>\$ 1,686,608</u>

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

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

(Concluded)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
FUND BALANCES - GOVERNMENTAL FUNDS
LAST SIX FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
General Fund:					
Reserved	\$ 436,507	\$ 430,600	\$ -	\$ 391,256	\$ 232,867
Unreserved	(300,843)	182,625	880,332	320,275	288,151
Total General Fund	<u>\$ 135,664</u>	<u>\$ 613,225</u>	<u>\$ 880,332</u>	<u>\$ 711,531</u>	<u>\$ 521,018</u>
All Other Governmental Funds:					
Reserved	\$ 3,954	\$ 4,715	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	772,317	1,342,620	1,394,283	1,455,817	909,363
Capital projects funds	1,044,935	7,527,715	13,113,459	208,842	188,520
Debt service funds	126,446	515,937	-	-	-
Total all other governmental funds	<u>\$ 1,947,652</u>	<u>\$ 9,390,987</u>	<u>\$ 14,507,742</u>	<u>\$ 1,664,659</u>	<u>\$ 1,097,883</u>
	<u>2004</u>				
General Fund:					
Reserved	\$ 94,169				
Unreserved	557,225				
Total General Fund	<u>\$ 651,394</u>				
All Other Governmental Funds:					
Reserved	\$ -				
Unreserved, reported in:					
Special revenue funds	614,009				
Capital projects funds	81,287				
Debt service funds	-				
Total all other governmental funds	<u>\$ 695,296</u>				

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
GOVERNMENTAL FUNDS REVENUES
LAST SIX FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Federal sources:					
Federal grants	\$ 537,044	\$ 678,776	\$ 603,910	\$ 608,868	\$ 550,010
Total federal sources	<u>537,044</u>	<u>678,776</u>	<u>603,910</u>	<u>608,868</u>	<u>550,010</u>
State sources:					
State equalization assistance	1,686,380	2,338,969	2,400,580	2,054,110	2,633,946
State grants	139,972	121,605	190,649	874,329	629,214
School Facilities Board		76,187	161,654	132,555	133,199
Other revenues	499,444	870,175	681,022		27,248
Total state sources	<u>2,325,796</u>	<u>3,406,936</u>	<u>3,433,905</u>	<u>3,060,994</u>	<u>3,423,607</u>
Local sources:					
Property taxes	5,464,152	5,565,210	4,537,874	4,227,301	3,929,735
County aid			563	218,083	257,217
Investment income	106,415	517,369	299,694	55,865	20,066
Other revenues	1,018,347	1,172,908	1,274,385	1,438,087	678,605
Total local sources	<u>6,588,914</u>	<u>7,255,487</u>	<u>6,112,516</u>	<u>5,939,336</u>	<u>4,885,623</u>
Total revenues	<u><u>\$ 9,451,754</u></u>	<u><u>\$ 11,341,199</u></u>	<u><u>\$ 10,150,331</u></u>	<u><u>\$ 9,609,198</u></u>	<u><u>\$ 8,859,240</u></u>
	<u>2004</u>				
Federal sources:					
Federal grants	\$ 563,367				
Impact Aid					
National School Lunch Program					
Total federal sources	<u>563,367</u>				
State sources:					
State equalization assistance	2,843,051				
State grants	970,534				
School Facilities Board					
Other revenues					
Total state sources	<u>3,813,585</u>				
Local sources:					
Property taxes	3,680,115				
County aid	337,520				
Food service sales					
Investment income	12,570				
Other revenues	367,701				
Total local sources	<u>4,397,906</u>				
Total revenues	<u><u>\$ 8,774,858</u></u>				

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

Note: In fiscal year 2005-06 and prior, state revenue for the Classroom Site and Instructional Improvement funds were included as state grants. Beginning in fiscal year 2006-07, revenue from these funds are classified as other revenues.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST SIX FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30					
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Expenditures:						
Current -						
Instruction	\$ 5,417,738	\$ 5,398,795	\$ 5,390,691	\$ 5,011,187	\$ 4,807,352	\$ 4,772,401
Support services - students and staff	952,602	1,049,203	1,034,408	886,158	831,129	921,355
Support services - administration	1,006,742	1,049,829	868,303	797,132	959,697	776,688
Operation and maintenance of plant service	1,137,566	1,352,779	944,954	931,388	1,086,061	1,046,646
Student transportation services	386,357	433,713	376,528	392,495	380,706	322,601
Operation of non-instructional services	339,914	330,505	328,297	480,816	521,967	428,858
Capital outlay	6,841,468	6,509,330	2,782,913	589,624	107,943	28,494
Debt service -						
Judgements against the district	70,391					
Interest, premium and fiscal charges		890,696	4,573	10,033	9,395	12,850
Principal retirement	582,048	236,094	138,618	72,952	71,579	80,842
Bond issuance costs	642,970		247,725			
Total expenditures	<u>\$ 17,377,796</u>	<u>\$ 17,250,944</u>	<u>\$ 12,117,010</u>	<u>\$ 9,171,785</u>	<u>\$ 8,775,829</u>	<u>\$ 8,390,735</u>
Expenditures for capitalized assets	\$ 6,286,544	\$ 6,114,459	\$ 2,292,838	\$ 589,624	\$ 107,943	\$ 28,494
Debt service as a percentage of noncapital expenditures	11%	10%	4%	1%	1%	1%

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST SIX FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Excess (deficiency) of revenues over expenditures	\$ (7,926,042)	\$ (5,909,745)	\$ (1,966,679)	\$ 437,413	\$ 83,411
Other financing sources (uses):					
General obligation bonds issued			15,000,000		
Premium on sale of bonds			251,182		
Capital lease agreements		90,568	118,637	108,450	103,139
Transfers in	86,422	451,637	259,332	53,036	
Transfers out	(86,422)	(451,637)	(259,332)	(53,036)	
Total other financing sources (uses)	<u> </u>	<u>90,568</u>	<u>15,369,819</u>	<u>108,450</u>	<u>103,139</u>
Changes in fund balances	<u>\$ (7,926,042)</u>	<u>\$ (5,819,177)</u>	<u>\$ 13,403,140</u>	<u>\$ 545,863</u>	<u>\$ 186,550</u>

	<u>2004</u>
Excess (deficiency) of revenues over expenditures	\$ 384,123
Other financing sources (uses):	
Transfers in	40,936
Transfers out	(40,936)
Total other financing sources (uses)	<u>-</u>
Changes in fund balances	<u>\$ 384,123</u>

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
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
2009	\$ 457,387,983	1.71	\$ 3,832,289,849	11.9 %
2008	362,623,725	1.95	2,986,339,161	12.1
2007	300,103,751	1.98	2,390,837,076	12.6
2006	246,317,799	2.01	1,924,417,906	12.8
2005	220,292,289	2.05	1,734,319,349	12.7
2004	189,764,283	2.14	1,525,564,471	12.4
2003	182,030,349	2.32	1,459,051,920	12.5
2002	165,061,441	3.03	1,314,671,606	12.6
2001	155,702,626	2.69	1,229,421,961	12.7
2000	144,220,495	3.14	1,113,848,042	12.9

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST 10 FISCAL YEARS

Fiscal Year Ended June 30	Overlapping Rates					District Direct Rates		
	County	Cottonwood Oak Creek Elem	Clarkdale Jerome #3 Elem	Joint Tech	Fire District	Primary	Secondary	Total
2009	1.37	2.22	1.67	0.05	1.83	1.44	0.27	1.71
2008	1.53	2.31	2.09	0.05	2.15	1.48	0.46	1.95
2007	1.66	2.83	2.19	0.05	2.15	1.80	0.18	1.98
2006	1.70	4.19	1.85	0.05	2.15	1.80	0.21	2.01
2005	1.70	2.10	1.24	0.05	2.15	1.82	0.23	2.05
2004	1.68	1.25	1.70	0.05	2.17	1.90	0.24	2.14
2003	1.61	2.91	1.82	0.05	2.17	2.06	0.26	2.32
2002	1.61	3.41	2.91	0.05	2.18	2.53	0.50	3.03
2001	1.62	3.10	2.17	-	2.18	2.13	0.56	2.69
2000	1.72	3.19	2.89	-	2.18	2.30	0.84	3.14

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND SEVEN YEARS AGO**

<u>Taxpayer</u>	<u>2009</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>
Arizona Public Service Company	\$ 12,002,845	2.62 %	\$ 11,334,650	6.87 %
Qwest Corporation	4,859,158	1.06	8,625,172	5.23
Willow Creek Corner LLC	3,481,188	0.76	1,580,529	0.96
Unisource Energy Corporation	2,719,678	0.59	5,509,272	3.34
Ponderosa Plaza	7,542,573	1.65	3,432,006	2.08
Smith's Food	4,061,386	0.89	1,851,477	1.12
Prescott Depot Marketplace	3,771,287	0.82	1,716,003	1.04
Sturm-Ruger	3,662,500	0.80	1,670,845	1.01
Albertson's	3,263,614	0.71	1,490,213	0.90
Allied Signal	2,973,515	0.65	1,354,739	0.82
Total	<u>\$ 48,337,744</u>	<u>10.55 %</u>	<u>\$ 38,564,906</u>	<u>23.37 %</u>

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
PROPERTY TAX LEVIES AND COLLECTIONS
LAST NINE 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
2009	\$ 5,367,175	\$ 5,128,184	95.55 %	\$ -	\$ 5,128,184	95.55 %
2008	5,453,453	5,266,887	96.58	172,795	5,439,682	99.75
2007	4,556,347	4,444,863	97.55	105,898	4,550,761	99.88
2006	4,123,053	4,004,065	97.11	119,002	4,123,067	100.00
2005	3,793,737	3,676,108	96.90	117,517	3,793,625	100.00
2004	3,561,031	3,418,726	96.00	142,192	3,560,918	100.00
2003	3,381,411	3,198,152	94.58	183,173	3,381,325	100.00
2002	4,151,867	3,936,883	94.82	214,777	4,151,660	100.00
2001	3,083,870	2,873,999	93.19	209,871	3,083,870	100.00

Source: The source of this information is the Yavapai 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.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
OUTSTANDING DEBT BY TYPE
LAST SEVEN FISCAL YEARS

Fiscal Year Ended June 30	General Obligation Bonds						Total Outstanding Debt				
	General Obligation Bonds	Less:	Total	Percentage of Estimated Actual Value	Per Capita	Capital Leases	Total	Percentage of Estimated Actual Value	Per Capita	Percentage of Personal Income	
		Amounts Restricted for Principal									
2009	\$ 14,825,000	\$ 500,000	\$ 14,325,000	0.37 %	\$ 563	\$ 103,165	\$ 14,428,165	0.38 %	\$ 567	246 %	
2008	15,000,000	175,000	14,825,000	0.50	594	185,213	15,010,213	0.50	601	271	
2007	15,000,000	-	15,000,000	0.63	613	155,739	15,155,739	0.63	619	311	
2006	-	-	-	-	-	203,808	203,808	0.01	9	5	
2005	-	-	-	-	-	163,297	163,297	0.01	7	4	
2004	-	-	-	-	-	-	-	-	-	-	
2003	-	-	-	-	-	-	-	-	-	-	

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2009

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to School District</u>	<u>Estimated Amount Applicable to School District</u>
Yavapai County Community College District	\$ 54,310,000	13.26 %	\$ 7,201,506
City of Cottonwood	58,110,000	100.00	58,110,000
Cottonwood Oak Creek Elementary School District No. 6	865,000	100.00	865,000
Subtotal, Overlapping Debt			<u>66,176,506</u>
Direct:			
Mingus Unified High School District No. 4			<u>14,428,165</u>
Total Direct and Overlapping Debt			<u><u>\$ 80,604,671</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.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
LEGAL DEBT MARGIN INFORMATION
LAST SIX FISCAL YEARS

Class B Bond Legal Debt Margin Calculation for Fiscal Year 2009:

Secondary assessed valuation	\$ 457,387,983
Debt limit (5% of assessed value)	22,869,399
Debt applicable to limit	14,325,000
Legal debt margin	<u>\$ 8,544,399</u>

Legal Debt Margin Calculation for Fiscal Year 2009:

Secondary assessed valuation	\$ 457,387,983
Debt limit (15% of assessed value)	68,608,197
Debt applicable to limit	14,325,000
Legal debt margin	<u>\$ 54,283,197</u>

	Fiscal Year Ended June 30				
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Debt limit	\$ 68,608,197	\$ 54,393,559	\$ 45,015,563	\$ 36,947,670	\$ 33,043,843
Total net debt applicable to limit	<u>14,325,000</u>	<u>14,825,000</u>	<u>15,000,000</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>\$ 54,283,197</u>	<u>\$ 39,568,559</u>	<u>\$ 30,015,563</u>	<u>\$ 36,947,670</u>	<u>\$ 33,043,843</u>
Total net debt applicable to the limit as a percentage of debt limit	21%	27%	33%	0%	0%

	<u>2004</u>
Debt limit	\$ 28,464,642
Total net debt applicable to limit	<u>-</u>
Legal debt margin	<u>\$ 28,464,642</u>
Total net debt applicable to the limit as a percentage of debt limit	0%

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST SEVEN 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>
2008	227,348	\$ 5,860,461	\$ 27,620	5.6	25,444
2007	223,934	5,533,703	26,786	3.7	24,970
2006	213,285	4,875,841	24,521	3.6	24,480
2005	205,105	4,425,695	23,203	4.1	23,500
2004	196,720	4,075,143	22,092	4.3	22,560
2003	186,885	3,853,070	21,517	4.8	21,430
2002	177,400	3,701,821	21,311	5.1	20,360

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

**MINGUS UNIFIED SCHOOL DISTRICT NO. 4
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND EIGHT YEARS AGO**

<u>Employer</u>	<u>2009</u>		<u>2002</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Verde Valley Medical Center	440	7.13 %		0.00 %
Wal-Mart	430	6.97	280	5.27
Cottonwood Oak-Creek Sch. Dist.	385	6.24	265	4.99
Phoenix Cement Co.	160	2.59		0.00
City of Cottonwood	155	2.51	105	1.98
Western Technologies	150	2.43		0.00
Mingus Union High School	135	2.19	150	2.82
CTI Corp	125	2.03		0.00
Home Depot	120	1.95		0.00
Tungland Corp	100	1.62		0.00
Verde Valley Guidance Clinic	95	1.54		0.00
Phelps & Sons Inc.	80	1.30	105	1.98
Griffith Enterprises	65	1.05		0.00
Clarkdale-Jerome Sch. Dist.	55	0.89	40	0.75
Capital Senior Living Inc.	50	0.81		0.00
City of Sedona	75	1.22	75	1.41
The Arbors	100	1.62	100	1.88
Sedona-Oak Creek Joint Unified Sch Dist.	130	2.11	130	2.45
Safeway	130	2.11	130	2.45
Total	<u>2,980</u>	<u>48.31 %</u>	<u>1,380</u>	<u>25.98 %</u>
 Total employment	 <u>6,169</u>		 <u>5,312</u>	

Source: District records.

MINGUS UNIFIED SCHOOL DISTRICT NO. 4
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST SIX FISCAL YEARS

Full-time Equivalent Employees as of June 30						
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Supervisory						
Principals	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Total supervisory	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Instruction						
Teachers	<u>65</u>	<u>67</u>	<u>67</u>	<u>67</u>	<u>65</u>	<u>65</u>
Aides	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>
Total instruction	<u>79</u>	<u>81</u>	<u>81</u>	<u>81</u>	<u>79</u>	<u>79</u>
Support and Administration						
Administrators	<u>4</u>	<u>3</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>
Bus Drivers	<u>13</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>
Support Staff	<u>20</u>	<u>30</u>	<u>34</u>	<u>34</u>	<u>31</u>	<u>31</u>
Total support and administration	<u>37</u>	<u>40</u>	<u>45</u>	<u>45</u>	<u>42</u>	<u>42</u>
Total	<u><u>117</u></u>	<u><u>122</u></u>	<u><u>127</u></u>	<u><u>127</u></u>	<u><u>122</u></u>	<u><u>122</u></u>

Source: District payroll department.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
OPERATING STATISTICS
LAST SIX 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
2009	1,205	\$ 9,240,919	\$ 7,669	(2.45) %	\$ 10,853,936	\$ 9,007	(0.06) %	65	18.5	34.2 %
2008	1,223	9,614,824	7,862	9.44	11,023,181	9,013	9.65	67	18.3	28.0
2007	1,245	8,943,181	7,183	2.44	10,233,518	8,220	(11.62)	67	18.6	28.0
2006	1,212	8,499,176	7,013	(3.47)	11,272,468	9,301	30.99	67	18.1	28.0
2005	1,182	8,586,912	7,265	4.29	8,392,878	7,101	(0.71)	65	18.2	32.0
2004	1,187	8,268,549	6,966	N/A	8,488,576	7,151	N/A	65	18.3	30.0

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

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

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
CAPITAL ASSETS INFORMATION
LAST SIX FISCAL YEARS

	Fiscal Year Ended June 30					
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<u>Schools</u>						
High						
Buildings	8	8	8	8	8	8
Square feet	171,269	171,269	171,269	171,269	171,269	171,269
Capacity	1,163	1,163	1,163	1,163	1,163	1,163
Enrollment	1,245	1,245	1,245	1,212	1,182	1,187
<u>Transportation</u>						
Garages	1	1	1	1	1	1
Buses	15	15	15	15	13	12
<u>Athletics</u>						
Football fields	1	1	1	1	1	1
Soccer fields	1	1	1	1	1	1
Running tracks	1	1	1	1	1	1
Baseball/softball	3	3	3	3	3	3

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

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