

# Comprehensive Annual FINANCIAL REPORT

For The Year Ended June 30, 2020



**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**

**PHOENIX, ARIZONA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

For the Year Ended June 30, 2020

**BOARD OF EDUCATION**

Anne Greenberg .....	President
Julie Bacon.....	Member
Nancy Case .....	Member
Susan Matura .....	Member
Sue M. Skidmore, Ed.D.....	Member

**SUPERINTENDENT**

Dr. Jesse Welsh

Prepared by:

Business Operations Office

Laura L. Felten, Assistant Superintendent for Business Operations

# PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69

## TABLE OF CONTENTS

<b><u>INTRODUCTORY SECTION</u></b>	<b><u>Page</u></b>
Letter of Transmittal	1
Organizational Chart	8
Governing Board	9
Superintendency	10
ASBO Certificate of Excellence	11
GFOA Certificate of Achievement	12
 <b><u>FINANCIAL SECTION</u></b>	
INDEPENDENT AUDITOR'S REPORT	15
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)	19
<b>BASIC FINANCIAL STATEMENTS</b>	
Government-Wide Financial Statements:	
Statement of Net Position	32
Statement of Activities	33
Fund Financial Statements:	
Balance Sheet – Governmental Funds	36
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	39
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	40
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	42

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**

**TABLE OF CONTENTS**

<b><u>FINANCIAL SECTION</u></b>	<b><u>Page</u></b>
<b>BASIC FINANCIAL STATEMENTS</b>	
Statement of Net Position – Proprietary Fund	43
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Fund	44
Statement of Cash Flows – Proprietary Fund	45
Notes to Financial Statements	46
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Schedule of Revenues Expenditures and Changes in Fund Balances – Budget and Actual:	
General Fund	74
Pension Schedules	76
OPEB Schedules	78
Notes to Required Supplementary Information	79
<b>COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES</b>	
Governmental Funds:	
Combining Balance Sheet – All Non-Major Governmental Funds – By Fund Type	84
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – All Non-Major Governmental Funds – By Fund Type	85

# PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69

## TABLE OF CONTENTS

<u>FINANCIAL SECTION</u>	<u>Page</u>
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES	
Special Revenue Funds:	
Combining Balance Sheet	88
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	94
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	102
Debt Service Fund:	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	128
Capital Projects Funds:	
Combining Balance Sheet	130
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	132
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	134
<u>STATISTICAL SECTION</u>	
Financial Trends:	
Net Position by Component	143
Expenses, Program Revenues, and Net (Expense)/Revenue	144

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**

**TABLE OF CONTENTS**

<b><u>STATISTICAL SECTION</u></b>	<b><u>Page</u></b>
General Revenues and Total Changes in Net Position	146
Fund Balances – Governmental Funds	148
Governmental Funds Revenues	150
Governmental Funds Expenditures and Debt Service Ratio	152
Other Financing Sources and Uses and Net Changes in Fund Balances – Governmental Funds	154
Revenue Capacity:	
Net Limited Assessed Value and Full Cash Value of Taxable Property by Class	155
Net Full Cash Assessed Value of Taxable Property by Class	156
Property Tax Assessment Ratios	157
Direct and Overlapping Property Tax Rates	158
Principal Property Taxpayers	159
Property Tax Levies and Collections	160
Debt Capacity:	
Outstanding Debt by Type	161
Direct and Overlapping Governmental Activities Debt	162
Direct and Overlapping General Bonded Debt Ratios	162
Legal Debt Margin Information	163
Class B Bond Legal Debt Margin Information	164

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**

**TABLE OF CONTENTS**

<b><u>STATISTICAL SECTION</u></b>	<b><u>Page</u></b>
Demographic and Economic Information:	
County-Wide Demographic and Economic Statistics	165
Principal Employers	166
Operating Information:	
Full-Time Equivalent District Employees by Type	167
Operating Statistics	169
Capital Assets Information	170

## **INTRODUCTORY SECTION**



(This page intentionally left blank)

December 4, 2020

Citizens and Governing Board  
Paradise Valley Unified School District No. 69  
15002 North 32<sup>nd</sup> Street  
Phoenix, Arizona 85032-4441

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 Paradise Valley Unified School District No. 69 (District) for the fiscal year ended June 30, 2020.

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, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2020, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

## **PROFILE OF THE DISTRICT**

The District is one of 58 public school districts located in Maricopa County, Arizona. The Paradise Valley Unified School District offers a premiere education to students in kindergarten through grade 12. The District has 27 elementary schools offering free, full-day kindergarten through grade 6; one kindergarten through grade 8 school, seven middle schools with grades 7 and 8; five high schools, grades 9 through 12; two alternative schools and one comprehensive online school serving kindergarten through grade 12. The district offers a variety of education programs including Kindergarten through grade 12 International Baccalaureate Program; Advancement Via Individual Determination, Core Knowledge©; Science, Technology, Engineering, Math (STEM), gifted and special education, foreign language immersion (Mandarin and Spanish), fine arts including the North Valley Arts Academies (5 through 12) at Desert Cove Elementary, Shea Middle and Shadow Mountain High School, career and technical education, before- after-school programs, sports and extracurricular activities, and pre-K programs.

The District is located in 98 square miles of northeast metropolitan Phoenix and a portion of north Scottsdale. With more than 30,400 students, the District is the seventh-largest school district in the state of Arizona. The District employs 103 administrators, more than 2,000 certified classroom teachers and other instructional personnel, and 1,502 support personnel.

### **Vision:**

Our students will be the leaders of tomorrow with the skills, knowledge and confidence to realize their dreams in an ever-changing world.

### **Mission:**

To cultivate world-class thinkers.

### **Goals:**

1. To work collaboratively to engage students in individualized, rigorous, and authentic learning opportunities so that they may reach their highest potentials.
2. To create a culturally proficient climate that ensures equity and access for all in PVSchools.

**We believe:**

- Every member of our community plays a valuable role in the success of our students by supporting a positive, student-focused learning environment.
- It is vital to ensure equity and access to a high quality educational experience for all.
- The essential skills for success are collaboration, creativity, communication and critical thinking.
- A collaborative and inclusive culture is critical to reach our goals.
- Lifelong learning is essential.

PVSchools' faculty and staff received numerous awards during the 2019-20 school year, including Give A Note Foundation 2020 Music Education Innovator Award and Arizona Music Education Association Outstanding Administrator Award.

PVSchools students also received numerous awards during the 2019-20 school year, including 11 National Merit Finalists (2020 Scholarship Program), five National Hispanic Scholars, a Flinn Scholar, and several athletic State Championships including National Invitational Girls Golf Tournament Championship, Division II State Championship Girls 100-Yard Butterfly and Girls 100-Yard Breaststroke, Division I State Championship Girls Golf, Division I Boys Wrestling State Championship, and Division II boys Wrestling State Championship.

Our schools were recognized both locally and nationally for achieving high academic standards. According to the College Board's 2019 ACT scores, PVSchools' high school students continue to outperform state averages.

PVSchools' graduating class of 2020 were awarded scholarships worth more than \$44.7 million collectively.

**Scholarships awarded by schools:**

- Horizon High School: \$12.2 million
- Pinnacle High School: \$15.8 million
- North Canyon High School: \$3.5 million
- Paradise Valley High School: \$10.4 million
- Shadow Mountain High School: \$2.6 million
- PVOnline: \$6,000

PVSchools graduates have been accepted into hundreds of colleges and universities throughout the United States, including Arizona State University – Barrett Honors College, Brigham Young University, Cornell University, Duke University, Fordham University, New York University, Northern Arizona University, Pepperdine University, Seton Hall University, University of Arizona, University of California, University of Hawaii at Monoa, University of Miami, and Yale University.

Section 15-241 of the Arizona Revised Statutes (A.R.S) requires the Arizona Department of Education, subject to final adoption by the State Board of Education, to develop an annual achievement profile for every public school in the state based on an A through F scale. The system measures year to year student academic growth, proficiency on English language arts, math and science, the proficiency and academic growth of English language learners, indicators that an elementary student is ready for success in high school and that high school students are ready to succeed in a career or higher education and high school graduation rates.

Due to school closures resulting from COVID-19, House Bill 2910 carried over prior year A-F Letter Grades. Therefore, 2019-2020 letter grades are the same as those awarded in the 2018-2019 school year. The 2018-19 school year included the fifth administration of AzMERIT, Arizona's statewide achievement assessment for English Language Arts (ELA) and Mathematics. AzMERIT assessments are administered to all students in grades three through eight, and to those students completing the first three years of high school English and Math courses (English 9, 10 and 11; and Algebra 1; Geometry and Algebra 2). In 2018-19, 6 grade levels increased their passing rate on AzMERIT math, and 6 grade levels increased their passing rate on AzMERIT ELA. All grade levels (3rd-8th) in PVUSD surpassed the state average passing rate in ELA and 5 grade levels in PVUSD surpassed the state average passing rate in math.

The District's Governing Board is organized under Section 15-321 of the 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 governing board is financially accountable. The District's major operations include education, student transportation, construction and maintenance of District facilities, food services, bookstore, community education, and athletic functions.

The annual expenditure budget serves as the foundation for the District's financial planning and control. The objective of 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 over expenditures 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 necessary revenue is earned. The District is not required to prepare an annual budget of revenue; therefore, a deficit budgeted fund balance may be presented. However, this does not affect the District's ability to expend monies.

## FACTORS AFFECTING FINANCIAL CONDITION

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

**Local Economy.** The Phoenix economy is based on several major industries and commercial activity. Manufacturing and tourism have traditionally been the basis of the economy of Phoenix, the rest of Maricopa County, and continue to be important. Major industrial products manufactured by companies include aircraft parts, electronic equipment, agricultural chemicals and Native American crafts. Tourism is an especially vital part of the Phoenix economy. The economy relies on a combination of warm climate, a substantial well educated labor pool, a wide range of support industries, and a governmental climate that is supportive of economic growth and investment.

A few of the major financial and banking firms represented in the Phoenix metropolitan area include American Express, Chase Bank, Bank of America, Discover Card Services and Wells Fargo Bank. Many Fortune 500 companies operate within the Phoenix area such as Boeing, Bank of America, Time Warner Telecom, IBM and Intel. In addition, the metropolitan area provides excellent educational and training opportunities through seven community colleges, 11 private colleges and graduate schools, and one state university.

Maricopa County is located in the south-central portion of Arizona and encompasses an area of approximately 9,226 square miles. Its boundaries encompass the cities of Phoenix, Scottsdale, Mesa, Tempe, Glendale, Chandler, and such towns as Gilbert, Paradise Valley and Fountain Hills. Maricopa County is currently the nation's fourth largest county in terms of population. The County's population is estimated at over 4.2 million people and makes up more than half of Arizona's population. Maricopa County is the fastest-growing county in the United States, with more than 81,000 people added between July 2017-2018.

Tourism and business services in particular now account for nearly 77 percent of the area's total employment. The County has excellent accommodations, diverse cultural and recreational activities, and a favorable climate attracting millions to the area annually. Wholesale and retail trade is the second largest employment category, employing over a quarter million people.

Manufacturing consisting of high technology companies continues to be the third largest employer in Phoenix with strong job gains in the advanced industry sectors. These sectors including industries such as aerospace, computer and electronic device production, wholesale trade, financial activities and bioscience healthcare. Other factors aiding economic growth include continued major expansions of the Sky Harbor International Airport, a favorable business climate and the presence of a well-developed and expanding transportation infrastructure including interstate highways, a large quantity of companies that provide motor freight service, rail service and wide-body freight service through American Airlines and US Airways.

The District's financial condition reflected that of the local economy. While assessed values in the District (as well as state and county-wide) fell from highs in fiscal year 2009-2010 through fiscal year 2013-2014 following the Great Recession, values have subsequently risen. For net limited assessed value in the District (i.e., the restricted value used for both primary and secondary taxes after fiscal year 2014-2015 per Proposition 117 approved by voters in 2012), values have risen since fiscal year 2013-14 by approximately 30.5% to \$3.61 billion after falling approximately 32% from the \$4.1 billion high in fiscal year 2009-10. For net full cash value (i.e., the unrestricted value used for determining debt capacity and for secondary property taxes through fiscal year 2014-15), values have risen since fiscal year 2013-14 by approximately 65.4% to \$4.57 billion after falling approximately 42% from \$4.8 billion high in fiscal year 2009-10.

**Long-term Financial Planning.** Data from demographic studies projecting future student enrollment as well as assessments of current building conditions are used to develop future budget plans and facility needs. With the construction of new residential development being limited and the competition from neighboring charter schools, student enrollment in the District is predicted to decline slightly until development within the northern part of the District resumes. Inflationary increases to funding provided through the basic funding formulas which were withheld during the economic downturn have been granted during the last several budgetary cycles and are expected to continue. The average age of classroom buildings is 29 years.

In addition to state funding, planning is heavily impacted by voter-approved portions of its budget, which includes budget overrides and bonds for construction and renovation. Budget overrides are for both capital and operations. Bonds are strictly for capital items. Bond funds provide the ability for the District to plan for the renovation of existing facilities and the construction of new schools in the growth areas of the District.

During early 2019, the District involved stakeholders in a capital planning process which developed a four year capital plan as well as recommending that the Governing Board call for a bond and override elections. In November 2019, the District voters renewed a capital override for an additional seven years which provides significant funding for instructional materials that the District is unable to obtain from state funding. In the same election, District voters authorized the issuance of up to \$236 million in bonds of which approximately \$153 million is for facilities and the balance being for land, technology, furniture and equipment.

An operational override used to sustain lower class sizes, as well as programs in kindergarten through third grade, including all day kindergarten, was renewed at an increased level in November 2018 generating approximately \$27.5 million in total additional operating funds annually. This override will begin a 3-year phase down in 2023-24 if not renewed by voters prior to then.

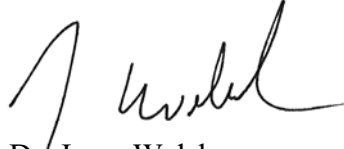
## **AWARDS AND ACKNOWLEDGMENTS**

**Awards.** The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2019. This was the 31st consecutive year that the District has received this prestigious award. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2019. 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.

**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 services office. Each member of the office has our sincere appreciation for the contributions made in the preparation of this report.

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

Respectfully submitted,



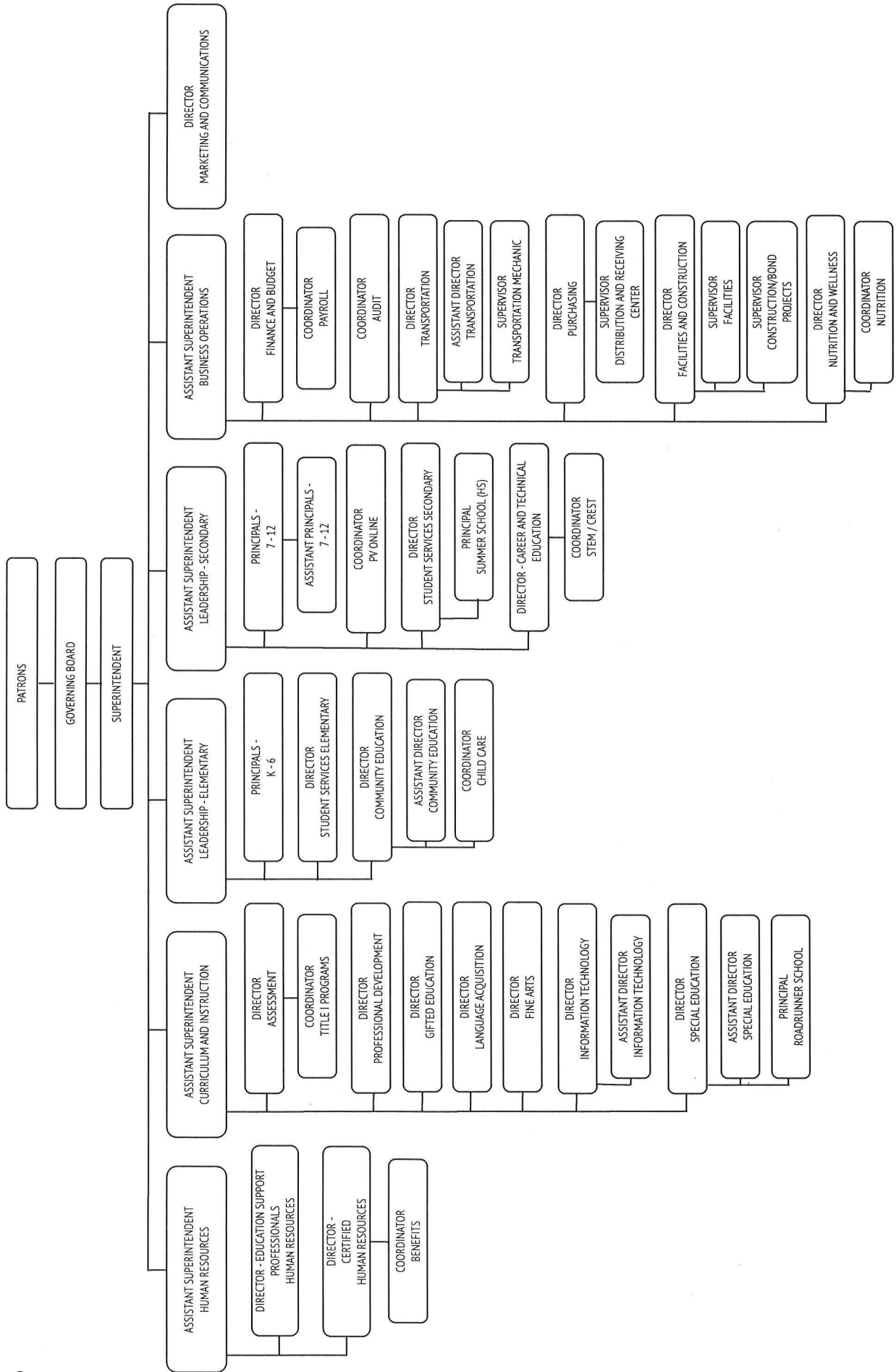
Dr. Jesse Welsh  
Superintendent



Laura L. Felten  
Assistant Superintendent for  
Business Operations



# PARADISE VALLEY UNIFIED SCHOOL DISTRICT 2019-2020 ORGANIZATIONAL CHART



# Governing Board



**Ms. Anne Greenberg**  
*President*



**Ms. Nancy Case**  
*Member*



**Ms. Susan Matura**  
*Member*



**Ms. Julie Bacon**  
*Member*



**Dr. Sue Skidmore**  
*Member*

# Superintendancy



**Dr. Jesse Welsh**  
*Superintendent*



**Dr. Steve Jeras**  
*Assistant Superintendent  
Of Leadership- Elementary*



**Mr. Andre Long**  
*Assistant Superintendent  
of Leadership- Secondary*



**Dr. Dan Courson**  
*Assistant Superintendent  
Of Curriculum and Instruction*



**Ms. Laura Felten**  
*Assistant Superintendent  
of Business Operations*



**Dr. Troy Bales**  
*Assistant Superintendent  
Human Resources*



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

**Paradise Valley Unified  
School District No. 69**

**for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2019.**

The CAFR meets the criteria established for  
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'Claire Hertz', written over a horizontal line.

**Claire Hertz, SFO**  
President

A handwritten signature in black ink, reading 'David J. Lewis', written over a horizontal line.

**David J. Lewis**  
Executive Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Paradise Valley Unified School District No. 69  
Arizona**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morill*

Executive Director/CEO

## **FINANCIAL SECTION**

(This page intentionally left blank)

## INDEPENDENT AUDITOR'S REPORT

Governing Board  
Paradise Valley Unified School District No. 69

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Paradise Valley Unified School District No. 69 (District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Paradise Valley Unified School District No. 69, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Change in Accounting Principle***

As described in Note 1, the District implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, for the year ended June 30, 2020, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.



### ***Other Matters***

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

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

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

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2020, on our consideration of Paradise Valley Unified School District No. 69'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 solely 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 effectiveness of the Paradise Valley Unified School District No. 69's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Paradise Valley Unified School District No. 69's internal control over financial reporting and compliance.

*Heinfeld Meech & Co. PC*

Heinfeld, Meech & Co., P.C.  
Phoenix, Arizona  
December 4, 2020

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

(This page intentionally left blank)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2020**

As management of the Paradise Valley Unified School District No. 69 (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, 2020. The management's discussion and analysis is presented as required supplementary information to supplement the basic financial statements. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

### **FINANCIAL HIGHLIGHTS**

- The District's total net position of governmental activities increased \$15.7 million which represents an eight percent increase from the prior fiscal year as a result of an increase in unrestricted state aid of \$8.0 million.
- General revenues accounted for \$306.0 million in revenue, or 86 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$47.9 million or 14 percent of total current fiscal year revenues.
- The District had approximately \$338.3 million in expenses related to governmental activities, an increase of 10 percent from the prior fiscal year.
- Among major funds, the General Fund had \$229.4 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$222.5 million in expenditures. The General Fund's fund balance increase from \$65.0 million at the prior fiscal year end to \$73.5 million at the end of the current fiscal year was primarily due to a planned budget surplus.
- Net position for the Internal Service Fund increased \$138,287 from the prior fiscal year. Operating expenses of \$1.1 million exceeded operating revenues of \$1.0 million at the end of the current fiscal year.

### **OVERVIEW OF FINANCIAL STATEMENTS**

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2020**

**OVERVIEW OF FINANCIAL STATEMENTS**

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

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

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

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

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2020**

**OVERVIEW OF FINANCIAL STATEMENTS**

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

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

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

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

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2020**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$208.9 million at the current fiscal year end.

The largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment and construction in progress) less any related outstanding debt used to acquire those assets.

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

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2020 and June 30, 2019.

	As of <u>June 30, 2020</u>	As of <u>June 30, 2019</u>
Current and other assets	\$ 298,699,965	\$ 260,158,880
Capital assets, net	531,879,873	530,261,563
Total assets	<u>830,579,838</u>	<u>790,420,443</u>
 Deferred outflows	 <u>34,357,776</u>	 <u>33,624,319</u>
 Current and other liabilities	 19,041,720	 27,068,431
Long-term liabilities	616,796,939	567,472,474
Total liabilities	<u>635,838,659</u>	<u>594,540,905</u>
 Deferred inflows	 <u>20,164,222</u>	 <u>37,947,167</u>
 Net position:		
Net investment in capital assets	239,006,633	245,271,047
Restricted	56,773,837	35,384,087
Unrestricted	(86,845,737)	(89,098,444)
Total net position	<u>\$ 208,934,733</u>	<u>\$ 191,556,690</u>

At the end of the current fiscal year the District reported positive balances in two categories of net position. Unrestricted net position was negative due to the state pension plan's unfunded liability. The same situation held true in the prior fiscal year.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2020**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

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

- The principal retirement of \$37.3 million of bonds.
- The net addition of \$23.5 million in capital assets through school improvements, purchases of vehicles, furniture and equipment, and a land acquisition.
- The issuance of \$50.1 million in school improvement bonds and \$8.3 million in associated premium.

**Changes in net position.** The District's total revenues for the current fiscal year were \$354.0 million. The total cost of all programs and services was \$338.3 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2020 and June 30, 2019.

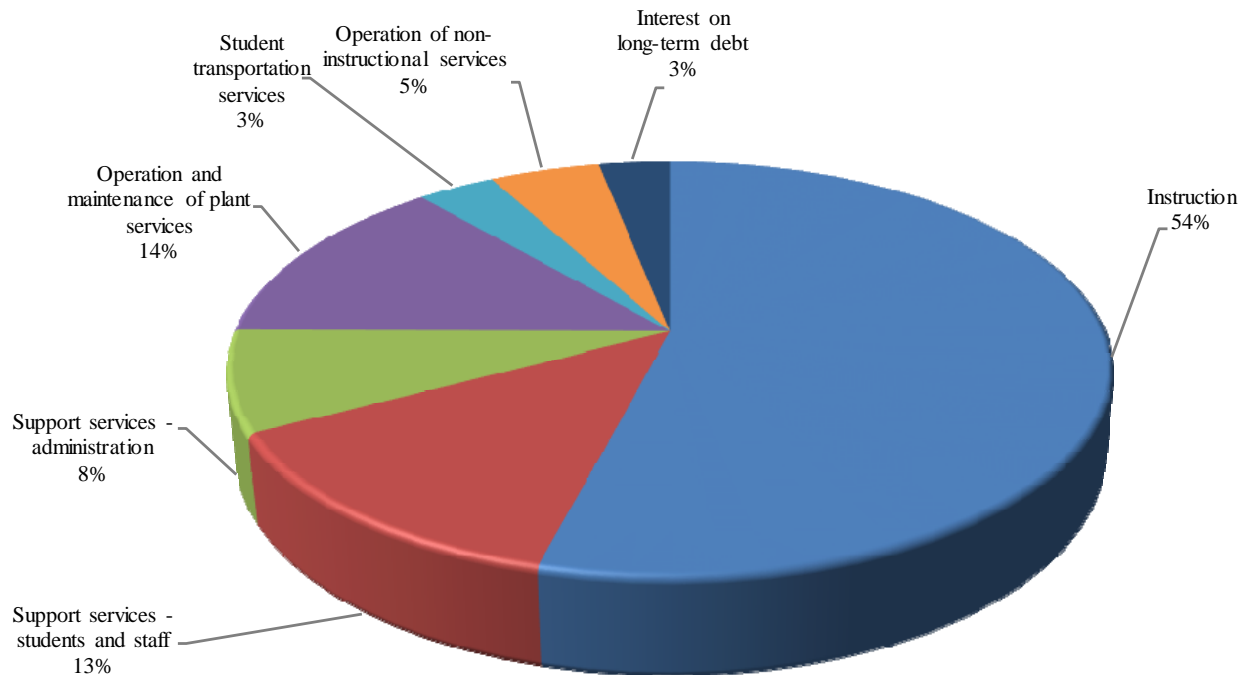
	<u>Fiscal Year Ended June 30, 2020</u>	<u>Fiscal Year Ended June 30, 2019</u>
<b>Revenues:</b>		
Program revenues:		
Charges for services	\$ 17,262,454	\$ 17,959,581
Operating grants and contributions	26,705,500	27,545,811
Capital grants and contributions	3,957,121	1,785,421
General revenues:		
Property taxes	197,412,525	196,140,876
Investment income	4,474,839	3,585,863
Unrestricted county aid	5,044,056	5,109,940
Unrestricted state aid	96,142,538	88,154,217
Unrestricted federal aid	2,971,737	2,406,013
<b>Total revenues</b>	<b>353,970,770</b>	<b>342,687,722</b>
<b>Expenses:</b>		
Instruction	182,852,000	165,591,583
Support services - students and staff	44,841,377	37,398,672
Support services - administration	26,394,466	22,572,054
Operation and maintenance of plant services	46,100,777	45,545,526
Student transportation services	11,428,095	11,632,085
Operation of non-instructional services	16,255,986	15,566,504
Interest on long-term debt	10,387,507	10,294,736
<b>Total expenses</b>	<b>338,260,208</b>	<b>308,601,160</b>
<b>Changes in net position</b>	<b>15,710,562</b>	<b>34,086,562</b>
<b>Net position, beginning, as restated</b>	<b>193,224,171</b>	<b>157,470,128</b>
<b>Net position, ending</b>	<b>\$ 208,934,733</b>	<b>\$ 191,556,690</b>



**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2020**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Expenses - Fiscal Year 2020**



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

- Unrestricted state aid increased \$8.0 million due base level support increases in the per-pupil funding amounts
- Instructional expenses and support services – students and staff expenses increased \$17.3 million and \$7.4 million, respectively, due to increased pension expense and compensation increases for teachers and staff

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2020**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

	Year Ended June 30, 2020		Year Ended June 30, 2019	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 182,852,000	\$(162,804,185)	\$ 165,591,583	\$(149,731,704)
Support services - students and staff	44,841,377	(38,009,750)	37,398,672	(31,636,896)
Support services - administration	26,394,466	(23,982,301)	22,572,054	(20,443,838)
Operation and maintenance of plant services	46,100,777	(44,004,156)	45,545,526	(40,345,871)
Student transportation services	11,428,095	(11,277,798)	11,632,085	(11,359,181)
Operation of non-instructional services	16,255,986	(1,113,970)	15,566,504	1,331,731
Interest on long-term debt	10,387,507	(9,142,973)	10,294,736	(9,124,588)
<b>Total</b>	<b>\$ 338,260,208</b>	<b>\$(290,335,133)</b>	<b>\$ 308,601,160</b>	<b>\$(261,310,347)</b>

- The cost of all governmental activities this year was \$338.3 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$47.9 million.
- Net cost of governmental activities of \$290.3 million was financed by general revenues, which are made up of primarily property taxes of \$197.4 million and state and county aid of \$101.2 million. Investment earnings accounted for \$4.5 million 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, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$213.8 million, an increase of \$36.5 million due primarily to issuance of school improvement bonds.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2020**

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

The General Fund is the principal operating fund of the District. The General Fund comprises 34 percent of the total fund balance. Approximately \$54.3 million, or 74 percent of the General Fund's fund balance is unassigned. The increase in fund balance of \$8.5 million in the General Fund to \$73.5 million as of fiscal year end was a result of a planned budgetary surplus.

General Fund revenues increased \$11.2 million primarily due to increased state aid revenues. General Fund expenditures increased \$7.6 million primarily as a result of compensation increases to teachers and other staff members.

The fund balance in the Debt Service Fund was \$26.8 million as of fiscal year end. The increase in fund balance of \$8.9 million during the year was due increases in property tax revenues.

The fund balance in the Bond Building Fund was \$87.2 million as of fiscal year end. The increase in fund balance of \$20.3 million during the year was primarily due to the issuance of school improvement bonds.

**Proprietary funds.** Unrestricted net position of the Internal Service Fund at the end of the fiscal year amounted to \$4.7 million. The increase of \$138,287 from the prior fiscal year was primarily due to investment earnings.

**BUDGETARY HIGHLIGHTS**

Over the course of the year, the District revised the General Fund annual expenditure budget. The difference between the original budget and the final amended budget was a \$475,680 increase, which was less than one percent and insignificant.

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 for the final amended budget and actual revenues resulted from the District not being required by the State of Arizona to prepare a revenue budget. The significant expenditure variances are summarized as follows:

- The favorable variance of \$11.1 million in instruction was a result of utilizing fund balances in other funds and the District not expending its entire budget.
- The unfavorable variance of \$1.3 million in operation and maintenance of plant services was a result of increased expenditures for utilities.
- The favorable variance of \$3.1 million in student transportation services was a result of unfilled positions and the District not expending its entire budget.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2020**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** At year end, the District had invested \$966.9 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 \$23.5 million from the prior fiscal year primarily due to continued construction of school improvements/renovations and the construction of a new elementary school. Total depreciation expense for the current year was \$29.5 million.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2020 and June 30, 2019.

	As of June 30, 2020	As of June 30, 2019
Capital assets - non-depreciable	\$ 42,337,687	\$ 65,928,113
Capital assets - depreciable, net	489,542,186	464,333,450
Total	\$ 531,879,873	\$ 530,261,563

The estimated cost to complete current construction projects is \$29.4 million.

Additional information on the District's capital assets can be found in Note 7.

**Debt Administration.** At year-end, the District had \$380.1 million in long-term debt outstanding, \$42.5 million due within one year. Long-term debt increased by \$18.1 million due to the issuance of \$50.1 million of school improvement bonds and the associated premium of \$8.3 million.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 30 percent of the total net full cash assessed valuation) and the statutory debt limit on Class B bonds (the greater of 20 percent of the net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$1.4 billion and the Class B debt limit is \$914.7 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 9 and 10.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2020**

**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 2020-21 budget. Among them:

- Fiscal year 2019-20 budget balance carry forward (estimated \$23.5 million).
- District student population (estimated 29,472).
- Negotiated employee salaries (increase of 5.8 percent).

Also considered in the development of the budget is the state economy.

Budgeted expenditures in the General Fund increased 10 percent to \$257 million in fiscal year 2020-21 due to a base level increase in the per-pupil funding amount. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2020-21 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 Operations Office, Paradise Valley Unified School District No. 69, 15002 North 32<sup>nd</sup> Street, Phoenix, Arizona 85032.

## **BASIC FINANCIAL STATEMENTS**

(This page intentionally left blank)

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**



**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

	Governmental Activities
<b><u>ASSETS</u></b>	
Current assets:	
Cash and investments	\$ 249,164,016
Property taxes receivable	5,901,091
Deposits	304,421
Due from governmental entities	25,746,553
Prepaid items	3,525,000
Inventory	1,518,005
Total current assets	286,159,086
Noncurrent assets:	
Cash and investments - restricted	12,540,879
Capital assets not being depreciated	42,337,687
Capital assets, net of accumulated depreciation	489,542,186
Total noncurrent assets	544,420,752
<b>Total assets</b>	<b>830,579,838</b>
 <b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>	
Pension and other postemployment benefit plan items	34,357,776
 <b><u>LIABILITIES</u></b>	
Current liabilities:	
Accounts payable	3,343,086
Construction contracts payable	7,808,078
Accrued payroll and employee benefits	454,346
Compensated absences payable	1,700,000
Accrued interest payable	7,059,761
Unearned revenues	376,449
Bonds payable	42,515,000
Total current liabilities	63,256,720
Noncurrent liabilities:	
Non-current portion of long-term obligations	572,581,939
Total noncurrent liabilities	572,581,939
<b>Total liabilities</b>	<b>635,838,659</b>
 <b><u>DEFERRED INFLOWS OF RESOURCES</u></b>	
Pension and other postemployment benefit plan items	20,164,222
 <b><u>NET POSITION</u></b>	
Net investment in capital assets	239,006,633
Restricted	56,773,837
Unrestricted	(86,845,737)
<b>Total net position</b>	<b>\$ 208,934,733</b>

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2020**

<b>Functions/Programs</b>	Expenses	Program Revenues			Governmental Activities	Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
<b>Governmental activities:</b>						
Instruction	\$ 182,852,000	\$ 7,444,047	\$ 8,728,956	\$ 3,874,812		\$ (162,804,185)
Support services - students and staff	44,841,377		6,831,627			(38,009,750)
Support services - administration	26,394,466	485,823	1,926,342			(23,982,301)
Operation and maintenance of plant services	46,100,777		2,014,312	82,309		(44,004,156)
Student transportation services	11,428,095	78,274	72,023			(11,277,798)
Operation of non-instructional services	16,255,986	9,254,310	5,887,706			(1,113,970)
Interest on long-term debt	10,387,507		1,244,534			(9,142,973)
<b>Total governmental activities</b>	<u>\$ 338,260,208</u>	<u>\$ 17,262,454</u>	<u>\$ 26,705,500</u>	<u>\$ 3,957,121</u>		<u>(290,335,133)</u>

**General revenues:**

Taxes:

Property taxes, levied for general purposes	134,087,723
Property taxes, levied for debt service	61,384,938
Property taxes, levied for capital outlay	1,939,864
Investment income	4,474,839
Unrestricted county aid	5,044,056
Unrestricted state aid	96,142,538
Unrestricted federal aid	2,971,737

**Total general revenues**

306,045,695

**Changes in net position**

15,710,562

**Net position, beginning of year, as restated**

193,224,171

**Net position, end of year**

\$ 208,934,733

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

(This page intentionally left blank)

**FUND FINANCIAL STATEMENTS**

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2020**

	General	Debt Service	Bond Building
<b><u>ASSETS</u></b>			
Cash and investments	\$ 46,521,233	\$ 63,110,336	\$ 95,377,951
Cash and investments - restricted		12,540,879	
Property taxes receivable	4,509,348	1,242,805	
Deposits			
Due from governmental entities	20,155,938	1,244,534	
Due from other funds	2,639,759		
Prepaid items	3,525,000		
Inventory	1,272,942		
<b>Total assets</b>	<b>\$ 78,624,220</b>	<b>\$ 78,138,554</b>	<b>\$ 95,377,951</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES</u></b>			
<b><u>AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 1,999,234	\$	\$ 365,480
Construction contracts payable			7,808,078
Due to other funds			
Accrued payroll and employee benefits	364,100		
Unearned revenues			
Bonds payable		42,515,000	
Bond interest payable		7,059,761	
<b>Total liabilities</b>	<b>2,363,334</b>	<b>49,574,761</b>	<b>8,173,558</b>
Deferred inflows of resources:			
Unavailable revenues - property taxes	2,718,018	504,171	
Unavailable revenues - intergovernmental		1,244,534	
<b>Total deferred inflows of resources</b>	<b>2,718,018</b>	<b>1,748,705</b>	
Fund balances (deficits):			
Nonspendable	4,797,942		
Restricted		26,815,088	87,204,393
Assigned	14,456,542		
Unassigned	54,288,384		
<b>Total fund balances</b>	<b>73,542,868</b>	<b>26,815,088</b>	<b>87,204,393</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <b>\$ 78,624,220</b>	 <b>\$ 78,138,554</b>	 <b>\$ 95,377,951</b>

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 27,250,367	\$ 232,259,887
	12,540,879
148,938	5,901,091
304,421	304,421
4,346,081	25,746,553
	2,639,759
	3,525,000
245,063	1,518,005
<u>\$ 32,294,870</u>	<u>\$ 284,435,595</u>

\$ 978,372	\$ 3,343,086
	7,808,078
2,639,759	2,639,759
90,246	454,346
376,449	376,449
	42,515,000
	7,059,761
<u>4,084,826</u>	<u>64,196,479</u>

148,938	3,371,127
1,852,334	3,096,868
<u>2,001,272</u>	<u>6,467,995</u>

245,063	5,043,005
27,669,239	141,688,720
	14,456,542
(1,705,530)	52,582,854
<u>26,208,772</u>	<u>213,771,121</u>

<u>\$ 32,294,870</u>	<u>\$ 284,435,595</u>
----------------------	-----------------------

(This page intentionally left blank)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

<b>Total governmental fund balances</b>		<b>\$ 213,771,121</b>
<p>Amounts reported for <i>governmental activities</i> in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		
Governmental capital assets	\$ 966,942,699	
Less accumulated depreciation	<u>(435,062,826)</u>	531,879,873
<p>Some receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable revenues in the funds.</p>		
Property taxes	3,371,127	
Intergovernmental	<u>3,096,868</u>	6,467,995
<p>Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.</p>		
Deferred outflows of resources related to pensions	33,467,596	
Deferred inflows of resources related to pensions	<u>(20,164,222)</u>	13,303,374
<p>The Internal Service Fund is used by management to charge the cost of OPEB to the individual funds. The assets and liabilities of the Internal Service Fund are included in the Statement of Net Position.</p>		
		4,687,974
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.</p>		
Compensated absences payable	(3,100,274)	
Net pension liability	(220,512,697)	
Bonds payable	<u>(337,562,633)</u>	<u>(561,175,604)</u>
<b>Net position of governmental activities</b>		<b><u><u>\$ 208,934,733</u></u></b>

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



**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	<u>General</u>	<u>Debt Service</u>	<u>Bond Building</u>
<b>Revenues:</b>			
Other local	\$ 6,535,991	\$ 1,612,898	\$ 1,201,625
Property taxes	140,807,316	61,259,658	
State aid and grants	79,064,714		
Federal aid, grants and reimbursements	2,971,737		
<b>Total revenues</b>	<u>229,379,758</u>	<u>62,872,556</u>	<u>1,201,625</u>
<b>Expenditures:</b>			
Current -			
Instruction	124,156,193		
Support services - students and staff	34,558,651		
Support services - administration	22,435,457		
Operation and maintenance of plant services	30,262,391		
Student transportation services	9,420,495		
Operation of non-instructional services	627,865		
Capital outlay	1,086,626		36,831,625
Debt service -			
Principal retirement		42,515,000	
Interest and fiscal charges		13,382,672	
Bond issuance costs			463,461
<b>Total expenditures</b>	<u>222,547,678</u>	<u>55,897,672</u>	<u>37,295,086</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>6,832,080</u>	<u>6,974,884</u>	<u>(36,093,461)</u>
<b>Other financing sources (uses):</b>			
Transfers in	997,840	1,943,317	
Transfers out			(1,943,317)
Issuance of school improvement bonds			50,075,000
Premium on sale of bonds			8,286,490
Proceeds from sale of capital assets	83,268		
<b>Total other financing sources (uses)</b>	<u>1,081,108</u>	<u>1,943,317</u>	<u>56,418,173</u>
<b>Changes in fund balances</b>	<u>7,913,188</u>	<u>8,918,201</u>	<u>20,324,712</u>
<b>Fund balances, beginning of year, as restated</b>	65,049,264	17,896,887	66,879,681
Increase (decrease) in reserve for prepaid items	331,055		
Increase (decrease) in reserve for inventory	249,361		
<b>Fund balances, end of year</b>	<u>\$ 73,542,868</u>	<u>\$ 26,815,088</u>	<u>\$ 87,204,393</u>

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 17,547,630	\$ 26,898,144
1,983,998	204,050,972
21,917,378	100,982,092
21,755,727	24,727,464
<u>63,204,733</u>	<u>356,658,672</u>
29,664,851	153,821,044
7,214,265	41,772,916
1,879,671	24,315,128
4,722,956	34,985,347
255,057	9,675,552
14,833,556	15,461,421
4,986,009	42,904,260
	42,515,000
	13,382,672
	463,461
<u>63,556,365</u>	<u>379,296,801</u>
<u>(351,632)</u>	<u>(22,638,129)</u>
	2,941,157
(997,840)	(2,941,157)
	50,075,000
	8,286,490
	83,268
<u>(997,840)</u>	<u>58,444,758</u>
<u>(1,349,472)</u>	<u>35,806,629</u>
27,494,265	177,320,097
	331,055
63,979	313,340
<u>\$ 26,208,772</u>	<u>\$ 213,771,121</u>

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2020**

**Changes in fund balances - total governmental funds** **\$ 35,806,629**

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 and reported as depreciation expense.

Expenditures for capitalized assets	\$ 30,732,869	
Less current year depreciation	<u>(29,535,257)</u>	1,197,612

Donated items are not reported in the governmental funds. However, in the Statement of Activities, the acquisition values of these assets are reported as capital grants and contributions. 3,450,000

Issuance of long-term school improvement bonds provides current financial resources to governmental funds, but the issuance increases long-term liabilities in the Statement of Net Position. (58,361,490)

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

Property taxes	(6,638,447)	
Intergovernmental	<u>138,584</u>	(6,499,863)

Repayments of bond principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 42,515,000

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

Current year pension contributions	18,983,327	
Pension expense	<u>(22,703,384)</u>	(3,720,057)

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

Prepaid items	331,055	
Inventory	313,340	
Loss on disposal of assets	(3,029,302)	
Amortization of deferred bond items	2,995,165	
Compensated absences	<u>574,186</u>	1,184,444

The Internal Service Fund is used by management to charge the cost of OPEB to the individual funds. The changes in net position of the Internal Service Fund is reported with governmental activities in the Statement of Activities. 138,287

**Changes in net position in governmental activities** **\$ 15,710,562**

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2020**

	Governmental Activities: Internal Service Funds
<b><u>ASSETS</u></b>	
Current assets:	
Cash and investments	\$ 16,904,129
Total current assets	16,904,129
<b>Total assets</b>	16,904,129
 <b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>	
Other postemployment benefit plan items	890,180
 <b><u>LIABILITIES</u></b>	
Noncurrent liabilities:	
Total OPEB liability	13,106,335
Total noncurrent liabilities	13,106,335
<b>Total liabilities</b>	13,106,335
 <b><u>NET POSITION</u></b>	
Unrestricted	4,687,974
<b>Total net position</b>	\$ 4,687,974

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	Governmental Activities: Internal Service Funds
<b>Operating revenues:</b>	
Contributions	\$ 1,007,061
<b>Total operating revenues</b>	<u>1,007,061</u>
<b>Operating expenses:</b>	
Benefits	<u>1,147,467</u>
<b>Total operating expenses</b>	<u>1,147,467</u>
<b>Operating income (loss)</b>	<u>(140,406)</u>
<b>Nonoperating revenues (expenses):</b>	
Investment income	<u>278,693</u>
<b>Total nonoperating revenues (expenses)</b>	<u>278,693</u>
<b>Changes in net position</b>	<u>138,287</u>
<b>Total net position, beginning of year</b>	4,549,687
<b>Total net position, end of year</b>	<u>\$ 4,687,974</u>

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	<b>Governmental Activities: Internal Service Funds</b>
<b><u>Increase/Decrease in Cash and Cash Equivalents</u></b>	
<b>Cash flows from operating activities:</b>	
Cash received from contributions	\$ 1,007,061
Cash payments for benefits	<u>(1,189,376)</u>
<b>Net cash provided by/used for operating activities</b>	<u>(182,315)</u>
 <b>Cash flows from investing activities:</b>	
Investment income	<u>278,693</u>
<b>Net cash provided by/used for investing activities</b>	<u>278,693</u>
<b>Net increase/decrease in cash and cash equivalents</b>	<u>96,378</u>
<b>Cash and cash equivalents, beginning of year</b>	<u>16,807,751</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 16,904,129</u>
 <b><u>Reconciliation of Operating Income/Loss to Net Cash Provided by/Used for Operating Activities</u></b>	
<b>Operating income/loss</b>	\$ (140,406)
Adjustments to reconcile operating income/loss to net cash provided by/used for operating activities:	
Changes in assets and liabilities:	
Increase/decrease in total OPEB liability and related items	<u>(41,909)</u>
<b>Total adjustments</b>	<u>(41,909)</u>
<b>Net cash provided by/used for operating activities</b>	<u>\$ (182,315)</u>

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

The financial statements of the Paradise Valley Unified School District No. 69 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

During the year ended June 30, 2020, the District implemented the provisions of GASB Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities for accounting and financial reporting purposes, and provides guidance as to how those activities should be reported. Student Activities and Intergovernmental Agreements reported in the prior year as fiduciary activities do not meet these new fiduciary activities criteria and have been reclassified as special revenue governmental funds. Beginning balances of the governmental funds and governmental activities have been restated by \$1,834,556 accordingly.

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

**A. Reporting Entity**

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

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

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

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

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

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

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

**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.



**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

**Fund Financial Statements** – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. As permitted by generally accepted accounting principles the District applies the “early recognition” option for debt service payments. Property tax resources are provided in the Debt Service Fund during the current year for the payment of debt service principal and interest due early in the following year (less than one month). Therefore, the expenditures and related liabilities have been recognized in the current period.

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

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

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

The District reports the following major governmental funds:

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

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

Bond Building Fund – The Bond Building Fund accounts for monies received from District bond issues that are used to acquire sites, construct or renovate school buildings, improve school grounds, and purchase transportation vehicles.

Additionally, the District reports the following fund types:

Proprietary Fund – The Proprietary Fund is an Internal Service Fund that accounts for activities related to the District’s post employment benefits program.

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

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

**D. Cash and Investments**

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

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

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

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

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

**E. Investment Income**

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

**F. Receivables and Payables**

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

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

**G. Property Tax Calendar**

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

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

**H. Inventory**

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

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

**I. Prepaid Items**

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

**J. Capital Assets**

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

Capital assets are defined by the District as assets with an initial, individual cost in excess of \$5,000 and an estimated useful life of more than one year. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

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	20 years
Buildings and improvements	20 - 50 years
Vehicles, furniture and equipment	3 - 15 years

**K. Deferred Outflows/Inflows of Resources**

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

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

**L. Compensated Absences**

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

**M. Pensions and Other Postemployment Benefits**

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

**N. Long-term Obligations**

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

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

**O. Interfund Activity**

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

**P. Net Position Flow Assumption**

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

**Q. Estimates**

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

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

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

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

***Assigned.*** Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Governing Board or the management official delegated that authority by the formal Governing Board action. The Board delegated the authority and responsibility to assign fund balances to the Assistant Superintendent of Business Operations.

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

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

	General Fund	Debt Service Fund	Bond Building Fund	Non-Major Governmental Funds
Fund Balances:				
Nonspendable:				
Prepaid items	\$ 3,525,000	\$	\$	\$
Inventory	1,272,942			245,063
Restricted:				
Debt service		26,815,088		
Capital projects				9,620,502
Bond building projects			87,204,393	
Voter approved initiatives				1,137,721
Federal and state projects				4,691,757
Auxiliary operations				4,926,732
Food service				543,409
Civic center				3,449,818
Student activities				1,884,026
Other purposes				1,415,274
Assigned:				
Anticipated budgetary shortfalls	14,456,542			
Unassigned:	54,288,384			(1,705,530)
Total fund balances	\$ 73,542,868	\$ 26,815,088	\$ 87,204,393	\$ 26,208,772

**NOTE 3 – RESTRICTED NET POSITION**

The table below provides detail of the major components of the District’s restricted net position at year end.

	Governmental Activities
Restricted Net Position:	
Debt service	\$ 28,563,793
Capital projects	9,769,440
Voter approved initiatives	1,137,721
Federal and state projects	4,838,561
Auxiliary operations	5,058,893
Food service	656,311
Civic center	3,449,818
Student activities	1,884,026
Other purposes	1,415,274
Total	\$ 56,773,837



**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 4 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

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

	Deficit
Non-Major Governmental Funds:	
Title I Grants	\$ 603,334
Professional Development and Technology Grants	100,200
Title IV Grants	40,628
Limited English and Immigrant Students	30,719
Indian Education	2,556
Special Education Grants	668,948
Vocational Education	154,069
Homeless Education Grants	13,567
Other Federal Projects	29,850
State Vocational Education	4,361
Other State Projects	57,298

The deficits arose because of operations during the year and pending grant reimbursements. Additional revenues received in fiscal year 2020-21 are expected to eliminate the deficits.

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

**NOTE 5 – CASH AND INVESTMENTS**

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of bank failure the District’s deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District’s deposits was \$740,393 and the bank balance was \$1,877,126. At year end, \$1,394,397 of the District’s deposits were covered by collateral held by the pledging financial institution’s trust department or agent but not in the District’s name. The carrying amount includes \$232,729 of restricted cash.

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

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 5 – CASH AND INVESTMENTS**

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

All investments in which the fair value hierarchy is applicable are measured at fair value on a recurring basis. At year end, the District’s investments consisted of the following:

<u>Investment Type</u>	<u>Maturities</u>	<u>Fair Value</u>	<u>Category</u>
U.S. Treasury Note	2/15/2026	\$ 2,775,299	Level 2
U.S. Treasury Note	5/31/2026	2,243,387	Level 2
U.S. Treasury Bonds	5/15/2026	1,663,706	Level 2
U.S. Treasury Bonds	7/1/2026	<u>5,625,758</u>	Level 2
		12,308,150	
County Treasurer’s investment pool	313 days	<u>248,656,352</u>	Not Applicable
Total		<u><u>\$ 260,964,502</u></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. The District’s investments in U.S. Treasury Notes and Bonds were rated Aaa by Moody’s Investors Service and AA+ by Standard and Poor’s.

*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.

*Valuation Techniques.* Debt securities classified in Level 2 of the fair value hierarchy are valued using matrix pricing techniques. Matrix pricing is used to value securities based on the securities’ relationship to benchmark quoted prices.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 6 – DUE FROM OTHER GOVERNMENTS**

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 fund and non-major governmental funds in the aggregate, were as follows:

	General Fund	Debt Service Fund	Non-Major Governmental Funds
Due from other governmental entities:			
Due from federal government	\$ 131,399	\$1,244,534	\$ 2,003,504
Due from state government	20,024,539		2,318,295
Due from other districts			24,282
Net due from governmental entities	<u>\$ 20,155,938</u>	<u>\$1,244,534</u>	<u>\$ 4,346,081</u>

**NOTE 7 – CAPITAL ASSETS**

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

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 29,897,760	\$ 3,450,000	\$	\$ 33,347,760
Construction in progress	36,030,353	8,286,734	35,327,160	8,989,927
Total capital assets, not being depreciated	<u>65,928,113</u>	<u>11,736,734</u>	<u>35,327,160</u>	<u>42,337,687</u>
Capital assets, being depreciated:				
Land improvements	54,092,081	6,783,774	674,437	60,201,418
Buildings and improvements	769,123,810	48,509,785	8,120,382	809,513,213
Vehicles, furniture and equipment	54,322,685	2,479,736	1,912,040	54,890,381
Total capital assets being depreciated	<u>877,538,576</u>	<u>57,773,295</u>	<u>10,706,859</u>	<u>924,605,012</u>
Less accumulated depreciation for:				
Land improvements	(26,229,614)	(2,552,095)	(316,594)	(28,465,115)
Buildings and improvements	(351,116,567)	(22,836,271)	(5,516,120)	(368,436,718)
Vehicles, furniture and equipment	(35,858,945)	(4,146,891)	(1,844,843)	(38,160,993)
Total accumulated depreciation	<u>(413,205,126)</u>	<u>(29,535,257)</u>	<u>(7,677,557)</u>	<u>(435,062,826)</u>
Total capital assets, being depreciated, net	<u>464,333,450</u>	<u>28,238,038</u>	<u>3,029,302</u>	<u>489,542,186</u>
Governmental activities capital assets, net	<u>\$ 530,261,563</u>	<u>\$ 39,974,772</u>	<u>\$ 38,356,462</u>	<u>\$ 531,879,873</u>

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 7 – CAPITAL ASSETS**

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 13,845,628
Support services – students and staff	1,777,654
Support services – administration	1,401,475
Operation and maintenance of plant services	10,525,794
Student transportation services	1,619,026
Operation of non-instructional services	365,680
Total depreciation expense – governmental activities	<u>\$ 29,535,257</u>

**Construction Commitments** – At year end, the District had contractual commitments related to renovations at various District schools. At year end the District had spent \$9.0 million on the projects and had estimated remaining contractual commitments of \$29.4 million. These projects are being funded with bond proceeds.

**NOTE 8 – SHORT TERM DEBT – REVOLVING LINE OF CREDIT**

The District has a revolving line of credit to provide cash flow during the year to mitigate the impact of timing differences of expenditures and the receipt of state aid and property tax revenues. At year end, the District had \$20.0 million in unused line of credit.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 9 – GENERAL OBLIGATION BONDS PAYABLE**

Bonds payable at year end, consisted of the following outstanding general obligation bonds. Of the total amount originally authorized, \$218.3 million remains unissued. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt. The District’s legal debt limit is \$1.4 billion and the available margin is \$1.0 billion. In addition, a portion of the District’s school improvement bonds are Qualified School Construction Bonds, as such the District will receive direct subsidy payments from the United States of America for a portion of the interest due on the bonds. Further, the District has \$12,540,879 in restricted cash and investments that will be used to pay the Qualified School Construction Bonds in 2026.

	Original Amount Issued	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2020	Due Within One Year
<b>Governmental activities:</b>					
School Improvement Bonds Project of 2005, Series E (Class B) (Qualified School Construction Bonds)	\$24,025,000	6.0%	7/1/26	\$ 24,025,000	\$
School Improvement Bonds Project of 2011, Series A (2012)	54,000,000	3.0-4.0%	7/1/21-31	44,000,000	
School Improvement Bonds Project of 2011, Series B (2013)	37,850,000	2.0-4.0%	7/1/21-31	37,850,000	
School Improvement Bonds Project of 2011, Series D (2014)	50,000,000	4.0-4.5%	7/1/21-31	33,525,000	
School Improvement Bonds Project of 2011, Series E (2015)	49,000,000	2.0%	7/1/20	24,000,000	24,000,000
School Improvement Bond Project of 2015, Series A (2016)	36,700,000	2.0-3.0%	7/1/20-25	20,650,000	3,000,000
School Improvement Bonds, Project of 2015, Series B (2017)	33,870,000	3.0-5.0%	7/1/20-26	22,965,000	2,555,000
School Improvement Bonds, Project of 2015, Series C (2018)	49,885,000	5.0%	7/1/20-27	43,575,000	5,600,000
School Improvement Bonds, Project of 2015, Series D (2018)	53,310,000	5.0%	7/1/20-28	53,310,000	7,360,000
School Improvement Bonds, Project of 2015 and 2019, Series 2020	50,075,000	4.0-5.0%	7/1/21-25 and 7/1/32-39	50,075,000	
Total				<u>\$ 353,975,000</u>	<u>\$ 42,515,000</u>

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 9 – GENERAL OBLIGATION BONDS PAYABLE**

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
2021	\$ 42,515,000	\$ 13,852,323
2022	39,235,000	12,741,225
2023	29,835,000	11,278,675
2024	29,415,000	10,025,375
2025	27,330,000	8,824,338
2026-30	127,925,000	23,305,600
2031-35	37,535,000	6,610,900
2036-40	20,185,000	2,107,900
<b>Total</b>	<b>\$ 353,975,000</b>	<b>\$ 88,746,336</b>

**NOTE 10 – 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
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$ 341,195,000	\$ 50,075,000	\$ 37,295,000	\$ 353,975,000	\$ 42,515,000
Premium	20,811,308	8,286,490	2,995,165	26,102,633	
Total bonds payable	<u>362,006,308</u>	<u>58,361,490</u>	<u>40,290,165</u>	<u>380,077,633</u>	<u>42,515,000</u>
Net OPEB liability	13,015,782	90,553		13,106,335	
Net pension liability	198,169,729	22,342,968		220,512,697	
Compensated absences payable	3,674,460	80,561	654,747	3,100,274	1,700,000
Governmental activity long-term liabilities	<u>\$ 576,866,279</u>	<u>\$ 80,875,572</u>	<u>\$ 40,944,912</u>	<u>\$ 616,796,939</u>	<u>\$ 44,215,000</u>

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

At year end, interfund balances were as follows.

**Due to/from other funds:**

At year end, several non-major governmental funds had negative cash balances in the Treasurer’s pooled cash accounts of \$2,639,759. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with the General Fund. All interfund balances are expected to be paid within one year.

**Interfund transfers:**

	Transfers in		
		Bond Building Fund	Total
Transfers out	General Fund	Fund	Total
Debt Service Fund	\$	\$ 1,943,317	\$ 1,943,317
Non-Major Governmental Funds	997,840		997,840
Total	\$ 997,840	\$ 1,943,317	\$ 2,941,157

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.

**NOTE 12 – CONTINGENT LIABILITIES**

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

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

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 13 – PRIOR PERIOD ADJUSTMENTS**

The July 1, 2019 net position and fund balance do not agree to the prior year financial statements due to the correction of an error and the implementation of GASB 84.

	Statement of Activities	Governmental funds	
		Debt Service Fund	Non-Major Governmental Funds
Net position/fund balance, June 30, 2019, as previously reported	\$ 191,556,690	\$ 6,191,740	\$ 25,659,709
Intergovernmental agreements activity per GASB 84	21,673		21,673
Student activities per GASB 84	1,812,883		1,812,883
Reinstatement of payments made into sinking fund for future debt retirement	(167,075)	11,705,147	
Net position/fund balance, July 1, 2019, as restated	<u>\$ 193,224,171</u>	<u>\$ 17,896,887</u>	<u>\$ 27,494,265</u>

**NOTE 14 – 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 joined the Valley Schools Insurance Trust (VSIT), Valley Schools Employee Benefit Trust (VSEBT), and the Valley Schools Worker’s Compensation Pool (VSWCP) together with several school districts in the State.

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 Valley Schools Insurance Trust (VSIT). VSIT is a public entity risk pool currently operating as a common risk management and insurance program for school districts. The District pays premiums to VSIT for its general insurance coverage. The agreement provides that VSIT will be self-sustaining through members’ premiums and will reinsure through commercial companies for claims in excess of specified amounts for each insured event.

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



**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 14 – RISK MANAGEMENT**

The District joined the Valley Schools Workers’ Compensation Pool (VSWCP) together with other school districts in the state for risks of loss related to workers’ compensation claims. VSWCP 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 premiums to VSWCP for its employee workers’ compensation coverage. The agreement provides that VSWCP will be self-sustaining through members’ premiums and will reinsure through commercial companies for claims in excess of specified amounts for each insured event.

**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

**Aggregate Amounts.** At June 30, 2020, the District reported the following aggregate amounts related to pensions and OPEB for all plans to which it contributes:

	Pension	OPEB	Total
Net liability	\$ 220,512,697	\$ 13,106,335	\$ 233,619,032
Deferred outflows of resources	33,467,596	890,180	34,357,776
Deferred inflows of resources	20,164,222		20,164,222
Expense	22,703,384	1,147,467	23,850,851
Contributions	18,983,327	1,189,376	20,172,703

**A. Arizona State Retirement System**

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

The ASRS OPEB plans are not further disclosed because of their relative insignificance to the District’s financial statements.

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

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

\*With actuarially reduced benefits

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

**Contributions.** In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.11 percent (11.94 percent for retirement and 0.17 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 12.11 percent (11.45 percent for retirement, 0.49 percent for health insurance premium benefit, and 0.17 percent for long-term disability) of the active members’ annual covered payroll. The District’s contributions to the pension plan for the year ended June 30, 2020 were \$18,983,327.

Employers are also required to pay an Alternate Contribution Rate (ACR), for retired members who return to work in positions that would typically be filled by an employee who contributes to ASRS. The District was required by statute to contribute at the actuarially determined rate of 10.41 percent (10.29 for retirement, 0.05 percent for health insurance premium benefit, and 0.07 percent for long-term disability). ACR contributions are included in employer contributions presented above.

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

**Pension Liability.** The net pension liability was measured as of June 30, 2019. The total liability used to calculate the net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2018, to the measurement date of June 30, 2019. The District’s proportion of the net liability was based on the District’s actual contributions to the applicable plan relative to the total of all participating employers’ contributions to the plan for the year ended June 30, 2019.

At June 30, 2020, the District reported the following amounts for its proportionate share of the pension plan net liability. In addition, at June 30, 2019, the District’s percentage proportion for the plan and the related change from its proportion measured as of June 30, 2018 was:

Net Liability	District % Proportion	Increase (Decrease)
\$ 220,512,697	1.515	0.095

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

**Pension Expense and Deferred Outflows/Inflows of Resources.** The District has deferred outflows and inflows of resources related to the net pension liability. Certain changes in the net pension liability are recognized as pension expense over a period of time rather than the year of occurrence. The District’s pension expense for the year ended June 30, 2020 was \$22,703,384.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,983,620	\$ 41,458
Changes of assumptions or other inputs	932,114	8,781,248
Net difference between projected and actual earnings on pension investments		4,956,364
Changes in proportion and differences between contributions and proportionate share of contributions	9,568,535	6,385,152
Contributions subsequent to the measurement date	18,983,327	
Total	\$ 33,467,596	\$ 20,164,222

The amounts of deferred outflows of resources resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as an adjustment of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:		
2021	\$	(4,525,284)
2022		(1,530,286)
2023		(951,832)
2024		1,327,449

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

Actuarial valuation date	June 30, 2018
Actuarial roll forward date	June 30, 2019
Actuarial cost method	Entry age normal
Investment rate of return	7.5%
Inflation	2.3%
Projected salary increases	2.7-7.2%
Permanent base increases	Included
Mortality rates	2017 SRA Scale U-MP

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2016. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2017, actuarial valuation.

The long-term expected rate of return on ASRS plan investments was determined to be 7.5 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, excluding any expected inflation.

On June 29, 2018, the ASRS Board approved updated strategic asset allocation targets, to be effective July 2018. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Geometric Real Rate of Return</u>
Equity	50%	6.09%
Credit	20	5.36
Interest rate sensitive bonds	10	1.62
Real estate	20	5.85
Total	<u>100%</u>	

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

**Discount Rate.** The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board’s funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plans’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.** The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Rate	6.5%	7.5%	8.5%
Net liability	\$ 313,840,645	\$ 220,512,697	\$ 142,514,552

**Pension Plan Fiduciary Net Position.** Detailed information about the pension plan’s fiduciary net position is available in the separately issued ASRS financial report. The report is available on the ASRS website at [www.azasrs.gov](http://www.azasrs.gov).

**B. Single-Employer OPEB Plan**

**Plan Description.** Under authority of the Governing Board, the District provides postretirement insurance benefits, for certain retirees and their dependents, in accordance with the Post-Employment Medical Benefits Plan. The plan is a single-employer defined benefit OPEB plan administered by the District. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. Employees hired on or after July 1, 2012 are not eligible for District-paid retiree health benefits. The OPEB fund primarily charges the General Fund for benefits, however all retiree premiums are paid from the OPEB fund.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

**Benefits Provided.** The plan provides postretirement insurance (health, dental and life) on behalf of its eligible retirees up to age 65. To be eligible for District-paid benefits, a retiree must have attained eligibility for early retirement under the Arizona State Retirement (ASRS), been hired prior to July 1, 2012, and have worked for the District for 15 or more years. Eligible retirees receive a District reimbursement for premiums under the ASRS Retiree Group Insurance plan of up to \$402 per month (retiree only) or \$725 per month (retiree plus dependent coverage). Individuals who retired on or after July 1, 2005 are subject to the retiree only cap. Retired Cabinet members are not subject to the caps mentioned, and are eligible for dental and life insurance under the District sponsored plans.

**Contributions.** The District currently pays for postemployment benefits on a pay-as-you-go basis. For the current fiscal year, the District contributed \$1,189,376 for these benefits.

**Employees covered by benefit terms.** The following employees were covered as of the effective date of the OPEB valuation:

Inactive employees or beneficiaries currently receiving benefit payments	327
Active employees	1,416
Total	<u>1,743</u>

The District’s total OPEB liability of \$13,106,335 was measured as of June 30, 2020. The total liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of July 1, 2018, to the measurement date of June 30, 2020.

**Actuarial Assumptions and Other Inputs.** Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit cost between the employer and plan members to that point. The total OPEB liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Measurement date	June 30, 2020
Actuarial valuation date	July 1, 2018
Inflation rate	3.0%
Projected salary increases	3.0%
Health care cost trend rate:	
Medical and Prescription Drug	5.25% graded down to an ultimate rate of 5% over 2 years
Retiree contribution increase	Frozen
ASRS subsidy increases	None
Cost of living adjustments	N/A

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

The discount rate is based on the estimate of expected long-term plan experience. The discount rate used to measure the total OPEB liability was 2.45 percent, which was a decrease of .68 percent from the discount rate used as of June 30, 2019.

Pre-retirement mortality rates were based on the RP-2014 Employee Mortality Table for Males or Females, as appropriate, without projection. Post-retirement mortality rates were based on the RP-2014 Health Annuitant Mortality Table for Males or Females, as appropriate, without projection.

**Changes in the Total OPEB Liability**

Total OPEB Liability – beginning of year	\$	13,015,782
Changes for the year:		
Service cost		482,905
Interest		404,039
Changes in assumptions or other inputs		392,985
Benefit payments		<u>(1,189,376)</u>
Net changes		<u>90,553</u>
Total OPEB Liability – end of year	\$	<u><u>13,106,335</u></u>

**Sensitivity of the total OPEB liability to changes in the discount rate.** The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease <u>(1.45%)</u>	Current Discount Rate <u>(2.45%)</u>	1% Increase <u>(3.45%)</u>
Total OPEB liability	\$13,701,155	\$ 13,106,335	\$12,532,049



**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

**Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.** The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate:

		Current Healthcare Cost Trend		
	1% Decrease (4.25% decreasing to 4.00%)	Rates (5.25% decreasing to 5.00%)	1% Increase (6.25% decreasing to 6.00%)	
	<u>4.00%</u>	<u>5.00%</u>	<u>6.00%</u>	
Total OPEB liability	\$ 13,097,898	\$ 13,106,335	\$13,114,989	

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.** For the year ended June 30, 2020, the District recognized OPEB expense of \$1,147,467. At June 30, 2020, the District reported the following deferred outflows of resources and no deferred inflows of resources related to OPEB.

	<u>Deferred Outflows of Resources</u>
Differences between expected and actual experience	\$ 393,426
Changes of assumptions or other inputs	496,754
Total	<u>\$ 890,180</u>

Amounts reported as deferred outflows of resources will be recognized in OPEB expense as follows:

Year Ending June 30:		
2021	\$	260,523
2022		260,523
2023		260,523
2024		100,906
2025		7,705

**NOTE 16 – SUBSEQUENT EVENT**

On November 24, 2020, the District issued School Improvement Bonds, Second Series 2020 in the amount of \$49.6 million, maturing between July 1, 2022 and July 1, 2040, with an average interest rate of four percent. The purposes of the bonds are (1) rebuild school facilities, (2) construct school improvements, (3) purchase pupil transportation vehicles, (4) purchase technology, equipment, and furniture, and (5) pay bond issuance costs.

**REQUIRED SUPPLEMENTARY INFORMATION**

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL**  
**YEAR ENDED JUNE 30, 2020**

	<u>Budgeted Amounts</u>		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Other local	\$	\$	\$ 4,897,683	\$ 4,897,683
Property taxes			140,807,316	140,807,316
State aid and grants			79,064,714	79,064,714
<b>Total revenues</b>			<u>224,769,713</u>	<u>224,769,713</u>
<b>Expenditures:</b>				
Current -				
Instruction	135,325,565	136,016,281	124,876,193	11,140,088
Support services - students and staff	35,074,874	34,859,838	34,445,277	414,561
Support services - administration	21,837,795	21,837,795	21,980,518	(142,723)
Operation and maintenance of plant services	28,930,837	28,930,837	30,262,391	(1,331,554)
Student transportation services	12,385,379	12,385,379	9,313,462	3,071,917
Operation of non-instructional services	571,411	571,411	493,500	77,911
<b>Total expenditures</b>	<u>234,125,861</u>	<u>234,601,541</u>	<u>221,371,341</u>	<u>13,230,200</u>
<b>Changes in fund balances</b>	<u>(234,125,861)</u>	<u>(234,601,541)</u>	<u>3,398,372</u>	<u>237,999,913</u>
<b>Fund balances, beginning of year</b>			32,796,098	32,796,098
Increase (decrease) in reserve for prepaid items			17,831,055	17,831,055
Increase (decrease) in reserve for inventory			249,361	249,361
<b>Fund balances (deficits), end of year</b>	<u>\$ (234,125,861)</u>	<u>\$ (234,601,541)</u>	<u>\$ 54,274,886</u>	<u>\$ 288,876,427</u>

See accompanying notes to this schedule.

(This page intentionally left blank)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**ARIZONA STATE RETIREMENT SYSTEM**  
**LAST SIX FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Measurement date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
District's proportion of the net pension (assets) liability	1.52%	1.42%	1.54%	1.50%
District's proportionate share of the net pension (assets) liability	\$ 220,512,697	\$ 198,169,729	\$ 240,310,126	\$ 242,647,722
District's covered payroll	\$ 157,843,685	\$ 141,422,431	\$ 150,176,475	\$ 140,370,885
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	139.70%	140.13%	160.02%	172.86%
Plan fiduciary net position as a percentage of the total pension liability	73.24%	73.40%	69.92%	67.06%

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	\$ 18,983,327	\$ 17,646,924	\$ 15,415,045	\$ 16,189,024
Contributions in relation to the actuarially determined contribution	<u>18,983,327</u>	<u>17,646,924</u>	<u>15,415,045</u>	<u>16,189,024</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 165,793,249	\$ 157,843,685	\$ 141,422,431	\$ 150,176,475
Contributions as a percentage of covered payroll	11.45%	11.18%	10.90%	10.78%

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

See accompanying notes to this schedule.

**2016**

**2015**

June 30, 2015

June 30, 2014

1.52%

1.54%

\$ 236,601,471

\$ 227,340,844

\$ 139,216,869

\$ 138,118,804

169.95%

164.60%

68.35%

69.49%

**2016**

**2015**

\$ 15,230,241

\$ 15,160,717

15,230,241

15,160,717

\$

\$

\$ 140,370,885

\$ 139,216,869

10.85%

10.89%

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**OTHER POSTEMPLOYMENT BENEFITS PLAN**  
**LAST THREE FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Measurement date	June 30, 2020	June 30, 2019	June 30, 2018
<b>Total OPEB liability</b>			
Service cost	\$ 482,905	\$ 452,602	\$ 372,989
Interest	404,039	452,734	450,578
Differences between expected and actual experience		644,818	
Changes of assumptions or other inputs	392,985	296,367	
Benefit payments	<u>(1,189,376)</u>	<u>(1,369,868)</u>	<u>(1,449,781)</u>
<b>Net change in total OPEB liability</b>	90,553	476,653	(626,214)
<b>Total OPEB liability—beginning</b>	<u>13,015,782</u>	<u>12,539,129</u>	<u>13,165,343</u>
<b>Total OPEB liability—ending</b>	<u><u>\$ 13,106,335</u></u>	<u><u>\$ 13,015,782</u></u>	<u><u>\$ 12,539,129</u></u>
<b>Covered-employee payroll</b>	\$131,423,661	\$ 136,387,093	\$ 122,868,222
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	9.97%	9.54%	10.21%

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

See accompanying notes to this schedule.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2020**

**NOTE 1 – BUDGETARY BASIS OF ACCOUNTING**

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

- Certain activities reported in the General Fund are budgeted in separate funds in accordance with Arizona Revised Statutes.
- Prepaid items are budgeted in the year prepaid.
- Employee insurance expenditures are budgeted in the year the employee insurance account is funded.

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

	<u>Total Expenditures</u>	<u>Fund Balances End of Year</u>
Statement of Revenues, Expenditures and Changes in		
Fund Balances – Governmental Funds	\$ 222,547,678	\$ 73,542,868
Activity budgeted as special revenue funds	(2,560,939)	(18,249,673)
Current-year prepaid items	17,500,000	
Prior-year prepaid items	(16,000,000)	
Employee insurance account	<u>(115,398)</u>	<u>(1,018,309)</u>
Schedule of Revenues, Expenditures and Changes in Fund		
Balances – Budget and Actual – General Fund	<u>\$ 221,371,341</u>	<u>\$ 54,274,886</u>

**NOTE 2 – PENSION PLAN AND OPEB SCHEDULES**

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

**Factors that Affect Trends.** The actuarial assumptions used in the June 30, 2018, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2016. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2017, actuarial valuation. For the stand alone OPEB plan, disclosures are included in the notes to the financial statements.



(This page intentionally left blank)

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

(This page intentionally left blank)

**GOVERNMENTAL FUNDS**

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**JUNE 30, 2020**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 17,584,131	\$ 9,666,236	\$ 27,250,367
Property taxes receivable		148,938	148,938
Deposits	304,421		304,421
Due from governmental entities	4,346,081		4,346,081
Inventory	245,063		245,063
<b>Total assets</b>	<b><u>\$ 22,479,696</u></b>	<b><u>\$ 9,815,174</u></b>	<b><u>\$ 32,294,870</u></b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 932,638	\$ 45,734	\$ 978,372
Due to other funds	2,639,759		2,639,759
Accrued payroll and employee benefits	90,246		90,246
Unearned revenues	376,449		376,449
<b>Total liabilities</b>	<b><u>4,039,092</u></b>	<b><u>45,734</u></b>	<b><u>4,084,826</u></b>
Deferred inflows of resources:			
Unavailable revenues - property taxes		148,938	148,938
Unavailable revenues - intergovernmental	1,852,334		1,852,334
<b>Total deferred inflows of resources</b>	<b><u>1,852,334</u></b>	<b><u>148,938</u></b>	<b><u>2,001,272</u></b>
Fund balances (deficits):			
Nonspendable	245,063		245,063
Restricted	18,048,737	9,620,502	27,669,239
Unassigned	(1,705,530)		(1,705,530)
<b>Total fund balances</b>	<b><u>16,588,270</u></b>	<b><u>9,620,502</u></b>	<b><u>26,208,772</u></b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <b><u>\$ 22,479,696</u></b>	 <b><u>\$ 9,815,174</u></b>	 <b><u>\$ 32,294,870</u></b>

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**YEAR ENDED JUNE 30, 2020**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b>Revenues:</b>			
Other local	\$ 16,425,998	\$ 1,121,632	\$ 17,547,630
Property taxes		1,983,998	1,983,998
State aid and grants	21,835,069	82,309	21,917,378
Federal aid, grants and reimbursements	<u>21,755,727</u>		<u>21,755,727</u>
<b>Total revenues</b>	<u>60,016,794</u>	<u>3,187,939</u>	<u>63,204,733</u>
<b>Expenditures:</b>			
Current -			
Instruction	29,664,109	742	29,664,851
Support services - students and staff	7,214,265		7,214,265
Support services - administration	1,877,109	2,562	1,879,671
Operation and maintenance of plant services	4,722,956		4,722,956
Student transportation services	255,057		255,057
Operation of non-instructional services	14,833,556		14,833,556
Capital outlay	<u>1,145,257</u>	<u>3,840,752</u>	<u>4,986,009</u>
<b>Total expenditures</b>	<u>59,712,309</u>	<u>3,844,056</u>	<u>63,556,365</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>304,485</u>	<u>(656,117)</u>	<u>(351,632)</u>
<b>Other financing sources (uses):</b>			
Transfers out	<u>(997,840)</u>		<u>(997,840)</u>
<b>Total other financing sources (uses)</b>	<u>(997,840)</u>		<u>(997,840)</u>
<b>Changes in fund balances</b>	<u>(693,355)</u>	<u>(656,117)</u>	<u>(1,349,472)</u>
<b>Fund balances, beginning of year, as restated</b>	17,217,646	10,276,619	27,494,265
Increase (decrease) in reserve for inventory	63,979		63,979
<b>Fund balances, end of year</b>	<u>\$ 16,588,270</u>	<u>\$ 9,620,502</u>	<u>\$ 26,208,772</u>

## **SPECIAL REVENUE FUNDS**

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

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

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

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

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

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

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

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

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

**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.

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

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

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

**Other Federal Projects** - to account for financial assistance received for other supplemental federal projects, including the Education Jobs Bill monies.

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

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

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

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

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

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

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

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

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

**Indirect Costs** - to account for monies received from federal projects for administrative costs.

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

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

**District Services** - to account for the financial activity of providing goods and services to departments or schools within the District, or other districts on a cost reimbursement basis.

**Student Activities** - to account for monies raised by students to finance student clubs and organizations.

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



**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS**  
**JUNE 30, 2020**

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>Title I Grants</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$	\$ 343,269	\$
Deposits			
Due from governmental entities	1,308,137	753,534	603,334
Inventory			
<b>Total assets</b>	<u>\$ 1,308,137</u>	<u>\$ 1,096,803</u>	<u>\$ 603,334</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$ 34,768	\$ 196,809
Due to other funds	1,232,451		406,525
Accrued payroll and employee benefits			
Unearned revenues			
<b>Total liabilities</b>	<u>1,232,451</u>	<u>34,768</u>	<u>603,334</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			<u>603,334</u>
Fund balances (deficits):			
Nonspendable			
Restricted	75,686	1,062,035	
Unassigned			(603,334)
<b>Total fund balances</b>	<u>75,686</u>	<u>1,062,035</u>	<u>(603,334)</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 1,308,137</u>	<u>\$ 1,096,803</u>	<u>\$ 603,334</u>

<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English &amp; Immigrant Students</u>	<u>Indian Education</u>	<u>Special Education Grants</u>	<u>Vocational Education</u>
\$	\$	\$	\$	\$	\$
100,200	40,628	30,719	6,115	668,948	154,069
<u>\$ 100,200</u>	<u>\$ 40,628</u>	<u>\$ 30,719</u>	<u>\$ 6,115</u>	<u>\$ 668,948</u>	<u>\$ 154,069</u>
\$	\$	\$	\$	\$	\$
100,200	40,628	30,719	6,115	622,158 46,790	141,283 12,786
<u>100,200</u>	<u>40,628</u>	<u>30,719</u>	<u>6,115</u>	<u>668,948</u>	<u>154,069</u>
<u>100,200</u>	<u>40,628</u>	<u>30,719</u>	<u>2,556</u>	<u>668,948</u>	<u>154,069</u>
<u>(100,200)</u>	<u>(40,628)</u>	<u>(30,719)</u>	<u>(2,556)</u>	<u>(668,948)</u>	<u>(154,069)</u>
<u>(100,200)</u>	<u>(40,628)</u>	<u>(30,719)</u>	<u>(2,556)</u>	<u>(668,948)</u>	<u>(154,069)</u>
<u>\$ 100,200</u>	<u>\$ 40,628</u>	<u>\$ 30,719</u>	<u>\$ 6,115</u>	<u>\$ 668,948</u>	<u>\$ 154,069</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS**  
**JUNE 30, 2020**

	Homeless Education	E-Rate	Other Federal Projects
<b><u>ASSETS</u></b>			
Cash and investments	\$	\$ 712,104	\$
Deposits			
Due from governmental entities	13,567	311,026	33,715
Inventory			
<b>Total assets</b>	<b>\$ 13,567</b>	<b>\$ 1,023,130</b>	<b>\$ 33,715</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds	13,567		29,850
Accrued payroll and employee benefits			
Unearned revenues			
<b>Total liabilities</b>	<b>13,567</b>		<b>29,850</b>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	13,567		33,715
Fund balances (deficits):			
Nonspendable			
Restricted		1,023,130	
Unassigned	(13,567)		(29,850)
<b>Total fund balances</b>	<b>(13,567)</b>	<b>1,023,130</b>	<b>(29,850)</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <b>\$ 13,567</b>	 <b>\$ 1,023,130</b>	 <b>\$ 33,715</b>

<u>State Vocational Education</u>	<u>College Credit Exam Incentives</u>	<u>Results-based Funding</u>	<u>Other State Projects</u>	<u>Food Service</u>	<u>Civic Center</u>
\$	\$ 257,008	\$ 3,478,459	\$ 5,258	\$ 574,254	\$ 3,449,818
4,361			252,263	304,421	
				41,183	
				112,902	
<u>\$ 4,361</u>	<u>\$ 257,008</u>	<u>\$ 3,478,459</u>	<u>\$ 257,521</u>	<u>\$ 1,032,760</u>	<u>\$ 3,449,818</u>
\$	\$ 66,840	\$	\$ 114,582	\$	\$
4,361					
				376,449	
<u>4,361</u>	<u>66,840</u>		<u>114,582</u>	<u>376,449</u>	
4,361			200,237		
	190,168	3,478,459		112,902	
(4,361)			(57,298)	543,409	3,449,818
<u>(4,361)</u>	<u>190,168</u>	<u>3,478,459</u>	<u>(57,298)</u>	<u>656,311</u>	<u>3,449,818</u>
<u>\$ 4,361</u>	<u>\$ 257,008</u>	<u>\$ 3,478,459</u>	<u>\$ 257,521</u>	<u>\$ 1,032,760</u>	<u>\$ 3,449,818</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS**  
**JUNE 30, 2020**

	Community School	Auxiliary Operations	Gifts and Donations
<b><u>ASSETS</u></b>			
Cash and investments	\$ 513,525	\$ 5,146,070	\$ 935,892
Deposits			
Due from governmental entities			
Inventory		132,161	
<b>Total assets</b>	<b>\$ 513,525</b>	<b>\$ 5,278,231</b>	<b>\$ 935,892</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES</u></b>			
<b><u>AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 206,863	\$ 219,338	\$ 38,988
Due to other funds			
Accrued payroll and employee benefits	30,670		
Unearned revenues			
<b>Total liabilities</b>	<b>237,533</b>	<b>219,338</b>	<b>38,988</b>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Nonspendable		132,161	
Restricted	275,992	4,926,732	896,904
Unassigned			
<b>Total fund balances</b>	<b>275,992</b>	<b>5,058,893</b>	<b>896,904</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <b>\$ 513,525</b>	 <b>\$ 5,278,231</b>	 <b>\$ 935,892</b>

<u>Career, Technical and Vocational Education</u>	<u>Textbooks</u>	<u>Career Technical Education</u>	<u>Student Activities</u>	<u>Intergovernmental Agreements</u>	<u>Totals</u>
\$ 52,646	\$ 157,209	\$ 24,282	\$ 1,938,476	\$ 20,143	\$ 17,584,131
					304,421
					4,346,081
					245,063
<u>\$ 52,646</u>	<u>\$ 157,209</u>	<u>\$ 24,282</u>	<u>\$ 1,938,476</u>	<u>\$ 20,143</u>	<u>\$ 22,479,696</u>
\$	\$	\$ 11,902	\$ 54,450	\$	\$ 932,638
					2,639,759
					90,246
					376,449
		<u>11,902</u>	<u>54,450</u>		<u>4,039,092</u>
					1,852,334
52,646	157,209	12,380	1,884,026	20,143	245,063
					18,048,737
					(1,705,530)
<u>52,646</u>	<u>157,209</u>	<u>12,380</u>	<u>1,884,026</u>	<u>20,143</u>	<u>16,588,270</u>
<u>\$ 52,646</u>	<u>\$ 157,209</u>	<u>\$ 24,282</u>	<u>\$ 1,938,476</u>	<u>\$ 20,143</u>	<u>\$ 22,479,696</u>

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**ALL SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Classroom Site	Instructional Improvement	County, City, and Town Grants
<b>Revenues:</b>			
Other local	\$	\$ 22,891	\$
State aid and grants	15,697,609	1,380,215	
Federal aid, grants and reimbursements			
<b>Total revenues</b>	<b>15,697,609</b>	<b>1,403,106</b>	
<b>Expenditures:</b>			
Current -			
Instruction	15,650,398	744,058	1,162
Support services - students and staff	641,122	445,206	
Support services - administration		16,515	
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		15,813	
<b>Total expenditures</b>	<b>16,291,520</b>	<b>1,221,592</b>	<b>1,162</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(593,911)</b>	<b>181,514</b>	<b>(1,162)</b>
<b>Other financing sources (uses):</b>			
Transfers out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<b>(593,911)</b>	<b>181,514</b>	<b>(1,162)</b>
<b>Fund balances (deficits), beginning of year</b>	669,597	880,521	1,162
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<b>\$ 75,686</b>	<b>\$ 1,062,035</b>	<b>\$</b>

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English &amp; Immigrant Students</u>	<u>Indian Education</u>	<u>Special Education Grants</u>
\$	\$	\$	\$	\$	\$
6,333,585	787,149	708,276	288,616	58,133	6,520,124
<u>6,333,585</u>	<u>787,149</u>	<u>708,276</u>	<u>288,616</u>	<u>58,133</u>	<u>6,520,124</u>
3,787,886		205,702	45,773	29,138	2,824,921
1,725,542	670,370	281,956	219,289	2,280	2,197,189
247,042	6,601	106,753			44,188
7,041					54,961
69,867		52,503			
<u>5,837,378</u>	<u>676,971</u>	<u>646,914</u>	<u>265,062</u>	<u>31,418</u>	<u>5,121,259</u>
<u>496,207</u>	<u>110,178</u>	<u>61,362</u>	<u>23,554</u>	<u>26,715</u>	<u>1,398,865</u>
<u>(459,609)</u>	<u>(53,729)</u>	<u>(21,910)</u>	<u>(21,016)</u>	<u>(2,486)</u>	<u>(406,012)</u>
<u>(459,609)</u>	<u>(53,729)</u>	<u>(21,910)</u>	<u>(21,016)</u>	<u>(2,486)</u>	<u>(406,012)</u>
<u>36,598</u>	<u>56,449</u>	<u>39,452</u>	<u>2,538</u>	<u>24,229</u>	<u>992,853</u>
(639,932)	(156,649)	(80,080)	(33,257)	(26,785)	(1,661,801)
<u>\$ (603,334)</u>	<u>\$ (100,200)</u>	<u>\$ (40,628)</u>	<u>\$ (30,719)</u>	<u>\$ (2,556)</u>	<u>\$ (668,948)</u>

(Continued)



**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**ALL SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Vocational Education	Homeless Education	E-Rate
<b>Revenues:</b>			
Other local	\$	\$	\$ 18,458
State aid and grants			
Federal aid, grants and reimbursements	645,486	47,689	311,026
<b>Total revenues</b>	<b>645,486</b>	<b>47,689</b>	<b>329,484</b>
<b>Expenditures:</b>			
Current -			
Instruction	101,372	8,716	
Support services - students and staff	394,809	22,205	
Support services - administration	152	1,328	17,100
Operation and maintenance of plant services			311,026
Student transportation services			
Operation of non-instructional services			
Capital outlay	88,774		
<b>Total expenditures</b>	<b>585,107</b>	<b>32,249</b>	<b>328,126</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>60,379</b>	<b>15,440</b>	<b>1,358</b>
<b>Other financing sources (uses):</b>			
Transfers out	(31,313)	(1,765)	
<b>Total other financing sources (uses)</b>	<b>(31,313)</b>	<b>(1,765)</b>	
<b>Changes in fund balances</b>	<b>29,066</b>	<b>13,675</b>	<b>1,358</b>
<b>Fund balances (deficits), beginning of year</b>	<b>(183,135)</b>	<b>(27,242)</b>	<b>1,021,772</b>
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<b>\$ (154,069)</b>	<b>\$ (13,567)</b>	<b>\$ 1,023,130</b>

<u>Other Federal Projects</u>	<u>State Vocational Education</u>	<u>Gifted</u>	<u>College Credit Exam Incentives</u>	<u>Results-based Funding</u>	<u>Other State Projects</u>
\$	\$	\$	\$	\$	\$
	223,476	27,823	241,266	2,565,244	1,699,436
<u>167,937</u>	<u>223,476</u>	<u>27,823</u>	<u>241,266</u>	<u>2,565,244</u>	<u>1,699,436</u>
<u>167,937</u>					
98,830	38,278	10,837	328,552		29,631
71,079	107,845	16,986		127,440	257,586
	31,009			1,325,330	298
	6,229				1,469,105
	2,251				
<u>494</u>	<u>38,871</u>			<u>6,685</u>	
<u>170,403</u>	<u>224,483</u>	<u>27,823</u>	<u>328,552</u>	<u>1,459,455</u>	<u>1,756,620</u>
<u>(2,466)</u>	<u>(1,007)</u>		<u>(87,286)</u>	<u>1,105,789</u>	<u>(57,184)</u>
<u>(2,466)</u>	<u>(1,007)</u>		<u>(87,286)</u>	<u>1,105,789</u>	<u>(57,184)</u>
<u>(27,384)</u>	<u>(3,354)</u>		<u>277,454</u>	<u>2,372,670</u>	<u>(114)</u>
<u>\$ (29,850)</u>	<u>\$ (4,361)</u>	<u>\$</u>	<u>\$ 190,168</u>	<u>\$ 3,478,459</u>	<u>\$ (57,298)</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**ALL SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	<u>Food Service</u>	<u>Civic Center</u>	<u>Community School</u>
<b>Revenues:</b>			
Other local	\$ 1,901,201	\$ 838,481	\$ 6,619,939
State aid and grants			
Federal aid, grants and reimbursements	<u>5,887,706</u>		
<b>Total revenues</b>	<u>7,788,907</u>	<u>838,481</u>	<u>6,619,939</u>
<b>Expenditures:</b>			
Current -			
Instruction		68,130	181,186
Support services - students and staff		14,991	1,470
Support services - administration		56,392	38,827
Operation and maintenance of plant services	1,219,968	129,773	1,352,264
Student transportation services		394	2,403
Operation of non-instructional services	6,710,590	629,726	7,473,279
Capital outlay	<u>6,222</u>	<u>145,204</u>	<u>49,233</u>
<b>Total expenditures</b>	<u>7,936,780</u>	<u>1,044,610</u>	<u>9,098,662</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(147,873)</u>	<u>(206,129)</u>	<u>(2,478,723)</u>
<b>Other financing sources (uses):</b>			
Transfers out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(147,873)</u>	<u>(206,129)</u>	<u>(2,478,723)</u>
<b>Fund balances (deficits), beginning of year</b>	745,685	3,655,947	2,754,715
Increase (decrease) in reserve for inventory	58,499		
<b>Fund balances, end of year</b>	<u>\$ 656,311</u>	<u>\$ 3,449,818</u>	<u>\$ 275,992</u>

Auxiliary Operations	Gifts and Donations	Career, Technical and Vocational Education	Fingerprint	Textbooks	Career Technical Education
\$ 4,088,615	\$ 497,209	\$ 30,963	\$ 4,403	\$ 23,532	\$ 1,147,777
<u>4,088,615</u>	<u>497,209</u>	<u>30,963</u>	<u>4,403</u>	<u>23,532</u>	<u>1,147,777</u>
3,057,397	287,210	24,559		15,731	1,000,029
2,066	9,473			4,666	695
	25,723		4,039		
186,185	4,218				
149,533	23,260				
19,961					
306,211	154,728	5,000			182,563
<u>3,721,353</u>	<u>504,612</u>	<u>29,559</u>	<u>4,039</u>	<u>20,397</u>	<u>1,183,287</u>
<u>367,262</u>	<u>(7,403)</u>	<u>1,404</u>	<u>364</u>	<u>3,135</u>	<u>(35,510)</u>
<u>367,262</u>	<u>(7,403)</u>	<u>1,404</u>	<u>364</u>	<u>3,135</u>	<u>(35,510)</u>
4,686,151	904,307	51,242	(364)	154,074	47,890
5,480					
<u>\$ 5,058,893</u>	<u>\$ 896,904</u>	<u>\$ 52,646</u>	<u>\$</u>	<u>\$ 157,209</u>	<u>\$ 12,380</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**ALL SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	<u>Student Activities</u>	<u>Intergovernmental Agreements</u>	<u>Totals</u>
<b>Revenues:</b>			
Other local	\$ 1,232,182	\$ 347	\$ 16,425,998
State aid and grants			21,835,069
Federal aid, grants and reimbursements			21,755,727
<b>Total revenues</b>	<u>1,232,182</u>	<u>347</u>	<u>60,016,794</u>
<b>Expenditures:</b>			
Current -			
Instruction	1,122,736	1,877	29,664,109
Support services - students and staff			7,214,265
Support services - administration			1,877,109
Operation and maintenance of plant services			4,722,956
Student transportation services	15,214		255,057
Operation of non-instructional services			14,833,556
Capital outlay	23,089		1,145,257
<b>Total expenditures</b>	<u>1,161,039</u>	<u>1,877</u>	<u>59,712,309</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>71,143</u>	<u>(1,530)</u>	<u>304,485</u>
<b>Other financing sources (uses):</b>			
Transfers out			(997,840)
<b>Total other financing sources (uses)</b>			<u>(997,840)</u>
<b>Changes in fund balances</b>	<u>71,143</u>	<u>(1,530)</u>	<u>(693,355)</u>
<b>Fund balances (deficits), beginning of year</b>	1,812,883	21,673	17,217,646
Increase (decrease) in reserve for inventory			63,979
<b>Fund balances, end of year</b>	<u>\$ 1,884,026</u>	<u>\$ 20,143</u>	<u>\$ 16,588,270</u>

(This page intentionally left blank)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants		15,697,609	15,697,609
Federal aid, grants and reimbursements			
<b>Total revenues</b>	16,367,240	15,697,609	15,697,609
<b>Expenditures:</b>			
Current -			
Instruction	16,367,240	15,650,398	716,842
Support services - students and staff		641,122	(641,122)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	16,367,240	16,291,520	75,720
<b>Excess (deficiency) of revenues over expenditures</b>	(16,367,240)	(593,911)	15,773,329
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>	-	-	-
<b>Changes in fund balances</b>	(16,367,240)	(593,911)	15,773,329
<b>Fund balances (deficits), beginning of year</b>		669,597	669,597
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (16,367,240)	\$ 75,686	\$ 16,442,926

<u>Instructional Improvement</u>			<u>County, City, and Town Grants</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
\$	\$ 22,891	\$ 22,891	\$	\$	\$
	1,380,215	1,380,215			
	<u>1,403,106</u>	<u>1,403,106</u>			
1,160,000	744,058	415,942	1,300	1,162	138
	445,206	(445,206)			
	16,515	(16,515)			
	<u>15,813</u>	<u>(15,813)</u>			
<u>1,160,000</u>	<u>1,221,592</u>	<u>(61,592)</u>	<u>1,300</u>	<u>1,162</u>	<u>138</u>
<u>(1,160,000)</u>	<u>181,514</u>	<u>1,341,514</u>	<u>(1,300)</u>	<u>(1,162)</u>	<u>138</u>
<u>(1,160,000)</u>	<u>181,514</u>	<u>1,341,514</u>	<u>(1,300)</u>	<u>(1,162)</u>	<u>138</u>
	880,521	880,521		1,162	1,162
<u>\$ (1,160,000)</u>	<u>\$ 1,062,035</u>	<u>\$ 2,222,035</u>	<u>\$ (1,300)</u>	<u>\$</u>	<u>\$ 1,300</u>

(Continued)



**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Title I Grants		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		6,333,585	6,333,585
<b>Total revenues</b>		<u>6,333,585</u>	<u>6,333,585</u>
<b>Expenditures:</b>			
Current -			
Instruction	7,515,396	3,787,886	3,727,510
Support services - students and staff		1,725,542	(1,725,542)
Support services - administration		247,042	(247,042)
Operation and maintenance of plant services			
Student transportation services		7,041	(7,041)
Operation of non-instructional services			
Capital outlay		69,867	(69,867)
<b>Total expenditures</b>	<u>7,515,396</u>	<u>5,837,378</u>	<u>1,678,018</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(7,515,396)</u>	<u>496,207</u>	<u>8,011,603</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(459,609)	(459,609)
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>		<u>(459,609)</u>	<u>(459,609)</u>
<b>Changes in fund balances</b>	<u>(7,515,396)</u>	<u>36,598</u>	<u>7,551,994</u>
<b>Fund balances (deficits), beginning of year</b>		(639,932)	(639,932)
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (7,515,396)</u>	<u>\$ (603,334)</u>	<u>\$ 6,912,062</u>

<u>Professional Development and Technology Grants</u>			<u>Title IV Grants</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
\$	\$	\$	\$	\$	\$
	<u>787,149</u>	<u>787,149</u>		<u>708,276</u>	<u>708,276</u>
	<u>787,149</u>	<u>787,149</u>		<u>708,276</u>	<u>708,276</u>
965,448	670,370	295,078	637,564	205,702	(205,702)
	6,601	(6,601)		281,956	355,608
				106,753	(106,753)
				<u>52,503</u>	<u>(52,503)</u>
<u>965,448</u>	<u>676,971</u>	<u>288,477</u>	<u>637,564</u>	<u>646,914</u>	<u>(9,350)</u>
<u>(965,448)</u>	<u>110,178</u>	<u>1,075,626</u>	<u>(637,564)</u>	<u>61,362</u>	<u>698,926</u>
	(53,729)	(53,729)		(21,910)	(21,910)
	<u>(53,729)</u>	<u>(53,729)</u>		<u>(21,910)</u>	<u>(21,910)</u>
<u>(965,448)</u>	<u>56,449</u>	<u>1,021,897</u>	<u>(637,564)</u>	<u>39,452</u>	<u>677,016</u>
	(156,649)	(156,649)		(80,080)	(80,080)
<u>\$ (965,448)</u>	<u>\$ (100,200)</u>	<u>\$ 865,248</u>	<u>\$ (637,564)</u>	<u>\$ (40,628)</u>	<u>\$ 596,936</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Limited English & Immigrant Students		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		288,616	288,616
<b>Total revenues</b>		288,616	288,616
<b>Expenditures:</b>			
Current -			
Instruction		45,773	(45,773)
Support services - students and staff	379,292	219,289	160,003
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	379,292	265,062	114,230
<b>Excess (deficiency) of revenues over expenditures</b>	(379,292)	23,554	402,846
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(21,016)	(21,016)
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>		(21,016)	(21,016)
<b>Changes in fund balances</b>	(379,292)	2,538	381,830
<b>Fund balances (deficits), beginning of year</b>		(33,257)	(33,257)
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (379,292)	\$ (30,719)	\$ 348,573

Indian Education			Special Education Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	58,133	58,133		6,520,124	6,520,124
	58,133	58,133		6,520,124	6,520,124
44,000	29,138	14,862	5,541,868	2,824,921	2,716,947
	2,280	(2,280)		2,197,189	(2,197,189)
				44,188	(44,188)
				54,961	(54,961)
44,000	31,418	12,582	5,541,868	5,121,259	420,609
(44,000)	26,715	70,715	(5,541,868)	1,398,865	6,940,733
	(2,486)	(2,486)		(406,012)	(406,012)
	(2,486)	(2,486)		(406,012)	(406,012)
(44,000)	24,229	68,229	(5,541,868)	992,853	6,534,721
	(26,785)	(26,785)		(1,661,801)	(1,661,801)
\$ (44,000)	\$ (2,556)	\$ 41,444	\$ (5,541,868)	\$ (668,948)	\$ 4,872,920

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Vocational Education		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		645,486	645,486
<b>Total revenues</b>		645,486	645,486
<b>Expenditures:</b>			
Current -			
Instruction		101,372	(101,372)
Support services - students and staff	609,486	394,809	214,677
Support services - administration		152	(152)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		88,774	(88,774)
<b>Total expenditures</b>	609,486	585,107	24,379
<b>Excess (deficiency) of revenues over expenditures</b>	(609,486)	60,379	669,865
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(31,313)	(31,313)
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>		(31,313)	(31,313)
<b>Changes in fund balances</b>	(609,486)	29,066	638,552
<b>Fund balances (deficits), beginning of year</b>		(183,135)	(183,135)
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (609,486)	\$ (154,069)	\$ 455,417

Homeless Education			Medicaid Reimbursement		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 185,178	\$ 185,178
	47,689	47,689		2,971,737	2,971,737
	47,689	47,689		3,156,915	3,156,915
42,983	8,716	(8,716)		11,823	(11,823)
	22,205	20,778	3,500,000	152,637	3,347,363
	1,328	(1,328)			
<u>42,983</u>	<u>32,249</u>	<u>10,734</u>	<u>3,500,000</u>	<u>164,460</u>	<u>3,335,540</u>
<u>(42,983)</u>	<u>15,440</u>	<u>58,423</u>	<u>(3,500,000)</u>	<u>2,992,455</u>	<u>6,492,455</u>
	(1,765)	(1,765)			
	<u>(1,765)</u>	<u>(1,765)</u>			
<u>(42,983)</u>	<u>13,675</u>	<u>56,658</u>	<u>(3,500,000)</u>	<u>2,992,455</u>	<u>6,492,455</u>
	(27,242)	(27,242)		11,138,966	11,138,966
<u>\$ (42,983)</u>	<u>\$ (13,567)</u>	<u>\$ 29,416</u>	<u>\$ (3,500,000)</u>	<u>\$ 14,131,421</u>	<u>\$ 17,631,421</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	E-Rate		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 18,458	\$ 18,458
State aid and grants			
Federal aid, grants and reimbursements		311,026	311,026
<b>Total revenues</b>		<u>329,484</u>	<u>329,484</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration		17,100	(17,100)
Operation and maintenance of plant services	275,000	311,026	(36,026)
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>275,000</u>	<u>328,126</u>	<u>(53,126)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(275,000)</u>	<u>1,358</u>	<u>276,358</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(275,000)</u>	<u>1,358</u>	<u>276,358</u>
<b>Fund balances (deficits), beginning of year</b>		1,021,772	1,021,772
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (275,000)</u>	<u>\$ 1,023,130</u>	<u>\$ 1,298,130</u>

Other Federal Projects			State Vocational Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	167,937	167,937		223,476	223,476
	<u>167,937</u>	<u>167,937</u>		<u>223,476</u>	<u>223,476</u>
4,772,659	98,830	4,673,829		38,278	(38,278)
	71,079	(71,079)	235,000	107,845	127,155
				31,009	(31,009)
				6,229	(6,229)
				2,251	(2,251)
	494	(494)		38,871	(38,871)
<u>4,772,659</u>	<u>170,403</u>	<u>4,602,256</u>	<u>235,000</u>	<u>224,483</u>	<u>10,517</u>
<u>(4,772,659)</u>	<u>(2,466)</u>	<u>4,770,193</u>	<u>(235,000)</u>	<u>(1,007)</u>	<u>233,993</u>
<u>(4,772,659)</u>	<u>(2,466)</u>	<u>4,770,193</u>	<u>(235,000)</u>	<u>(1,007)</u>	<u>233,993</u>
	(27,384)	(27,384)		(3,354)	(3,354)
<u>\$ (4,772,659)</u>	<u>\$ (29,850)</u>	<u>\$ 4,742,809</u>	<u>\$ (235,000)</u>	<u>\$ (4,361)</u>	<u>\$ 230,639</u>

(Continued)



**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Gifted		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants		27,823	27,823
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>27,823</u>	<u>27,823</u>
<b>Expenditures:</b>			
Current -			
Instruction		10,837	(10,837)
Support services - students and staff	28,072	16,986	11,086
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>28,072</u>	<u>27,823</u>	<u>249</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(28,072)</u>		<u>28,072</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(28,072)</u>		<u>28,072</u>
<b>Fund balances (deficits), beginning of year</b>			
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (28,072)</u>	<u>\$</u>	<u>\$ 28,072</u>

College Credit Exam Incentives			Results-based Funding		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	241,266	241,266		2,565,244	2,565,244
	<u>241,266</u>	<u>241,266</u>		<u>2,565,244</u>	<u>2,565,244</u>
237,333	328,552	(91,219)		127,440	(127,440)
			2,528,345	1,325,330	1,203,015
				6,685	(6,685)
<u>237,333</u>	<u>328,552</u>	<u>(91,219)</u>	<u>2,528,345</u>	<u>1,459,455</u>	<u>1,068,890</u>
<u>(237,333)</u>	<u>(87,286)</u>	<u>150,047</u>	<u>(2,528,345)</u>	<u>1,105,789</u>	<u>3,634,134</u>
<u>(237,333)</u>	<u>(87,286)</u>	<u>150,047</u>	<u>(2,528,345)</u>	<u>1,105,789</u>	<u>3,634,134</u>
	277,454	277,454		2,372,670	2,372,670
<u>\$ (237,333)</u>	<u>\$ 190,168</u>	<u>\$ 427,501</u>	<u>\$ (2,528,345)</u>	<u>\$ 3,478,459</u>	<u>\$ 6,006,804</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Other State Projects		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants		1,699,436	1,699,436
Federal aid, grants and reimbursements			
<b>Total revenues</b>	1,800,000	1,699,436	1,699,436
<b>Expenditures:</b>			
Current -			
Instruction		29,631	(29,631)
Support services - students and staff		257,586	(257,586)
Support services - administration		298	(298)
Operation and maintenance of plant services	1,800,000	1,469,105	330,895
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	1,800,000	1,756,620	43,380
<b>Excess (deficiency) of revenues over expenditures</b>	(1,800,000)	(57,184)	1,742,816
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>	0	0	0
<b>Changes in fund balances</b>	(1,800,000)	(57,184)	1,742,816
<b>Fund balances (deficits), beginning of year</b>		(114)	(114)
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (1,800,000)	\$ (57,298)	\$ 1,742,702

School Plant			Food Service		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 564,307	\$ 564,307	\$	\$ 1,901,201	\$ 1,901,201
	<u>564,307</u>	<u>564,307</u>		<u>5,887,706</u>	<u>5,887,706</u>
				<u>7,788,907</u>	<u>7,788,907</u>
1,500,000	13,855 173,474	(13,855) 1,326,526		1,219,968	(1,219,968)
	<u>1,086,626</u>	<u>(1,086,626)</u>	10,000,000	6,710,590	3,289,410
<u>1,500,000</u>	<u>1,273,955</u>	<u>226,045</u>	<u>10,000,000</u>	<u>6,222</u>	<u>(6,222)</u>
<u>(1,500,000)</u>	<u>(709,648)</u>	<u>790,352</u>	<u>(10,000,000)</u>	<u>7,936,780</u>	<u>2,063,220</u>
	<u>83,268</u>	<u>83,268</u>			
	<u>83,268</u>	<u>83,268</u>			
<u>(1,500,000)</u>	<u>(626,380)</u>	<u>873,620</u>	<u>(10,000,000)</u>	<u>(147,873)</u>	<u>9,852,127</u>
	3,720,150	3,720,150		745,685	745,685
				58,499	58,499
<u>\$ (1,500,000)</u>	<u>\$ 3,093,770</u>	<u>\$ 4,593,770</u>	<u>\$ (10,000,000)</u>	<u>\$ 656,311</u>	<u>\$ 10,656,311</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Civic Center		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 838,481	\$ 838,481
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>	(1,000,000)	838,481	838,481
<b>Expenditures:</b>			
Current -			
Instruction		68,130	(68,130)
Support services - students and staff		14,991	(14,991)
Support services - administration		56,392	(56,392)
Operation and maintenance of plant services		129,773	(129,773)
Student transportation services		394	(394)
Operation of non-instructional services	1,000,000	629,726	370,274
Capital outlay		145,204	(145,204)
<b>Total expenditures</b>	1,000,000	1,044,610	(44,610)
<b>Excess (deficiency) of revenues over expenditures</b>	(1,000,000)	(206,129)	793,871
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>	(1,000,000)	(206,129)	793,871
<b>Changes in fund balances</b>	(1,000,000)	(206,129)	793,871
<b>Fund balances (deficits), beginning of year</b>		3,655,947	3,655,947
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (1,000,000)	\$ 3,449,818	\$ 4,449,818

Community School			Auxiliary Operations		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 6,619,939	\$ 6,619,939	\$	\$ 4,088,615	\$ 4,088,615
	<u>6,619,939</u>	<u>6,619,939</u>		<u>4,088,615</u>	<u>4,088,615</u>
	181,186	(181,186)	4,500,000	3,057,397	1,442,603
	1,470	(1,470)		2,066	(2,066)
	38,827	(38,827)		186,185	(186,185)
	1,352,264	(1,352,264)		149,533	(149,533)
	2,403	(2,403)		19,961	(19,961)
9,000,000	7,473,279	1,526,721		306,211	(306,211)
	49,233	(49,233)		<u>3,721,353</u>	<u>778,647</u>
<u>9,000,000</u>	<u>9,098,662</u>	<u>(98,662)</u>	<u>4,500,000</u>		
<u>(9,000,000)</u>	<u>(2,478,723)</u>	<u>6,521,277</u>	<u>(4,500,000)</u>	<u>367,262</u>	<u>4,867,262</u>
<u>(9,000,000)</u>	<u>(2,478,723)</u>	<u>6,521,277</u>	<u>(4,500,000)</u>	<u>367,262</u>	<u>4,867,262</u>
	2,754,715	2,754,715		4,686,151	4,686,151
				5,480	5,480
<u>\$ (9,000,000)</u>	<u>\$ 275,992</u>	<u>\$ 9,275,992</u>	<u>\$ (4,500,000)</u>	<u>\$ 5,058,893</u>	<u>\$ 9,558,893</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Gifts and Donations		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 497,209	\$ 497,209
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		497,209	497,209
<b>Expenditures:</b>			
Current -			
Instruction	900,000	287,210	612,790
Support services - students and staff		9,473	(9,473)
Support services - administration		25,723	(25,723)
Operation and maintenance of plant services		4,218	(4,218)
Student transportation services		23,260	(23,260)
Operation of non-instructional services			
Capital outlay		154,728	(154,728)
<b>Total expenditures</b>	900,000	504,612	395,388
<b>Excess (deficiency) of revenues over expenditures</b>	(900,000)	(7,403)	892,597
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(900,000)	(7,403)	892,597
<b>Fund balances (deficits), beginning of year</b>		904,307	904,307
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (900,000)	\$ 896,904	\$ 1,796,904

<u>Career, Technical and Vocational Education</u>			<u>Fingerprint</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
\$	\$ 30,963	\$ 30,963	\$	\$ 4,403	\$ 4,403
	<u>30,963</u>	<u>30,963</u>		<u>4,403</u>	<u>4,403</u>
79,000	24,559	54,441			
			25,000	4,039	20,961
	<u>5,000</u>	<u>(5,000)</u>			
<u>79,000</u>	<u>29,559</u>	<u>49,441</u>	<u>25,000</u>	<u>4,039</u>	<u>20,961</u>
<u>(79,000)</u>	<u>1,404</u>	<u>80,404</u>	<u>(25,000)</u>	<u>364</u>	<u>25,364</u>
<u>(79,000)</u>	<u>1,404</u>	<u>80,404</u>	<u>(25,000)</u>	<u>364</u>	<u>25,364</u>
	51,242	51,242		(364)	(364)
<u>\$ (79,000)</u>	<u>\$ 52,646</u>	<u>\$ 131,646</u>	<u>\$ (25,000)</u>	<u>\$</u>	<u>\$ 25,000</u>

(Continued)



**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Textbooks		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 23,532	\$ 23,532
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>	(50,000)	3,135	53,135
<b>Expenditures:</b>			
Current -			
Instruction	50,000	15,731	34,269
Support services - students and staff		4,666	(4,666)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	50,000	20,397	29,603
<b>Excess (deficiency) of revenues over expenditures</b>	(50,000)	3,135	53,135
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>	(50,000)	3,135	53,135
<b>Changes in fund balances</b>	(50,000)	3,135	53,135
<b>Fund balances (deficits), beginning of year</b>		154,074	154,074
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (50,000)	\$ 157,209	\$ 207,209

Indirect Costs			Advertisement		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 18,909	\$ 18,909	\$	\$ 2,116	\$ 2,116
	<u>18,909</u>	<u>18,909</u>		<u>2,116</u>	<u>2,116</u>
1,300,000	780,000	520,000	35,000		35,000
	87,696	(87,696)			
	13,430	(13,430)			
	134,365	(134,365)			
<u>1,300,000</u>	<u>1,015,491</u>	<u>284,509</u>	<u>35,000</u>		<u>35,000</u>
<u>(1,300,000)</u>	<u>(996,582)</u>	<u>303,418</u>	<u>(35,000)</u>	<u>2,116</u>	<u>37,116</u>
	997,840	997,840			
	<u>997,840</u>	<u>997,840</u>			
<u>(1,300,000)</u>	<u>1,258</u>	<u>1,301,258</u>	<u>(35,000)</u>	<u>2,116</u>	<u>37,116</u>
	881,879	881,879		37,549	37,549
<u>\$ (1,300,000)</u>	<u>\$ 883,137</u>	<u>\$ 2,183,137</u>	<u>\$ (35,000)</u>	<u>\$ 39,665</u>	<u>\$ 74,665</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Career Technical Education		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 1,147,777	\$ 1,147,777
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>	1,336,805	1,147,777	1,147,777
<b>Expenditures:</b>			
Current -			
Instruction	1,336,805	1,000,029	336,776
Support services - students and staff		695	(695)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		182,563	(182,563)
<b>Total expenditures</b>	1,336,805	1,183,287	153,518
<b>Excess (deficiency) of revenues over expenditures</b>	(1,336,805)	(35,510)	1,301,295
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>	-	-	-
<b>Changes in fund balances</b>	(1,336,805)	(35,510)	1,301,295
<b>Fund balances (deficits), beginning of year</b>		47,890	47,890
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (1,336,805)	\$ 12,380	\$ 1,349,185

District Services			Student Activities		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 79,977	\$ 79,977	\$	\$ 1,232,182	\$ 1,232,182
	<u>79,977</u>	<u>79,977</u>		<u>1,232,182</u>	<u>1,232,182</u>
				1,122,736	(1,122,736)
175,000	107,033	67,967		15,214	(15,214)
<u>175,000</u>	<u>107,033</u>	<u>67,967</u>		<u>23,089</u>	<u>(23,089)</u>
<u>(175,000)</u>	<u>(27,056)</u>	<u>147,944</u>		<u>1,161,039</u>	<u>(1,161,039)</u>
				<u>71,143</u>	<u>71,143</u>
<u>(175,000)</u>	<u>(27,056)</u>	<u>147,944</u>		<u>71,143</u>	<u>71,143</u>
	128,736	128,736		1,812,883	1,812,883
<u>\$ (175,000)</u>	<u>\$ 101,680</u>	<u>\$ 276,680</u>	<u>\$</u>	<u>\$ 1,884,026</u>	<u>\$ 1,884,026</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Intergovernmental Agreements		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 347	\$ 347
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		347	347
<b>Expenditures:</b>			
Current -			
Instruction	20,000	1,877	18,123
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	20,000	1,877	18,123
<b>Excess (deficiency) of revenues over expenditures</b>	(20,000)	(1,530)	18,470
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(20,000)	(1,530)	18,470
<b>Fund balances (deficits), beginning of year</b>		21,673	21,673
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (20,000)	\$ 20,143	\$ 40,143

Totals		
Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 17,276,485	\$ 17,276,485
	21,835,069	21,835,069
	24,727,464	24,727,464
	<u>63,839,018</u>	<u>63,839,018</u>
43,860,601	30,444,109	13,416,492
2,897,845	7,327,639	(4,429,794)
7,553,345	2,216,650	5,336,695
2,075,000	4,722,956	(2,647,956)
175,000	362,090	(187,090)
20,000,000	14,967,921	5,032,079
	2,231,883	(2,231,883)
<u>76,561,791</u>	<u>62,273,248</u>	<u>14,288,543</u>
<u>(76,561,791)</u>	<u>1,565,770</u>	<u>78,127,561</u>
	997,840	997,840
	(997,840)	(997,840)
	83,268	83,268
	<u>83,268</u>	<u>83,268</u>
<u>(76,561,791)</u>	<u>1,649,038</u>	<u>78,210,829</u>
	33,124,926	33,124,926
	63,979	63,979
<u>\$ (76,561,791)</u>	<u>\$ 34,837,943</u>	<u>\$ 111,399,734</u>

(This page intentionally left blank)

## **DEBT SERVICE FUND**

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



**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL DEBT SERVICE FUND**  
**YEAR ENDED JUNE 30, 2020**

	Debt Service		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 1,612,898	\$ 1,612,898
Property taxes		61,259,658	61,259,658
<b>Total revenues</b>		<u>62,872,556</u>	<u>62,872,556</u>
<b>Expenditures:</b>			
Debt service -			
Principal retirement	42,515,000	42,515,000	
Interest and fiscal charges	14,368,536	13,382,672	985,864
<b>Total expenditures</b>	<u>56,883,536</u>	<u>55,897,672</u>	<u>985,864</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(56,883,536)</u>	<u>6,974,884</u>	<u>63,858,420</u>
<b>Other financing sources (uses):</b>			
Transfers in		1,943,317	1,943,317
<b>Total other financing sources (uses)</b>		<u>1,943,317</u>	<u>1,943,317</u>
<b>Changes in fund balances</b>	<u>(56,883,536)</u>	<u>8,918,201</u>	<u>65,801,737</u>
<b>Fund balances, beginning of year, as restated</b>		17,896,887	17,896,887
<b>Fund balances (deficits), end of year</b>	<u>\$ (56,883,536)</u>	<u>\$ 26,815,088</u>	<u>\$ 83,698,624</u>

## CAPITAL PROJECTS FUNDS

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

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

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

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

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

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

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS**  
**JUNE 30, 2020**

	Insurance Proceeds	Litigation Recovery	Unrestricted Capital Outlay
<b><u>ASSETS</u></b>			
Cash and investments	\$ 281,956	\$ 333,466	\$ 7,453,288
Property taxes receivable			
<b>Total assets</b>	<b>\$ 281,956</b>	<b>\$ 333,466</b>	<b>\$ 7,453,288</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ _____	\$ _____	\$ 45,734
<b>Total liabilities</b>	_____	_____	45,734
Deferred inflows of resources:			
Unavailable revenues - property taxes	_____	_____	_____
Fund balances:			
Restricted	281,956	333,466	7,407,554
<b>Total fund balances</b>	<b>281,956</b>	<b>333,466</b>	<b>7,407,554</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <b>\$ 281,956</b>	 <b>\$ 333,466</b>	 <b>\$ 7,453,288</b>

<u>Adjacent Ways</u>	<u>New School Facilities</u>	<u>Totals</u>
\$ 1,581,731	\$ 15,795	\$ 9,666,236
148,938		148,938
<u>\$ 1,730,669</u>	<u>\$ 15,795</u>	<u>\$ 9,815,174</u>
<u>\$</u>	<u>\$</u>	<u>\$ 45,734</u>
		45,734
<u>148,938</u>		<u>148,938</u>
<u>1,581,731</u>	<u>15,795</u>	<u>9,620,502</u>
<u>1,581,731</u>	<u>15,795</u>	<u>9,620,502</u>
<u>\$ 1,730,669</u>	<u>\$ 15,795</u>	<u>\$ 9,815,174</u>

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	<u>Insurance Proceeds</u>	<u>Litigation Recovery</u>	<u>Unrestricted Capital Outlay</u>
<b>Revenues:</b>			
Other local	\$ 17,805	\$ 7,732	\$ 1,068,548
Property taxes			32,549
State aid and grants			
<b>Total revenues</b>	<u>17,805</u>	<u>7,732</u>	<u>1,101,097</u>
<b>Expenditures:</b>			
Current -			
Instruction	742		
Support services - administration	2,562		
Capital outlay			2,852,865
<b>Total expenditures</b>	<u>3,304</u>	<u></u>	<u>2,852,865</u>
<b>Changes in fund balances</b>	<u>14,501</u>	<u>7,732</u>	<u>(1,751,768)</u>
<b>Fund balances, beginning of year</b>	267,455	325,734	9,159,322
<b>Fund balances, end of year</b>	<u>\$ 281,956</u>	<u>\$ 333,466</u>	<u>\$ 7,407,554</u>

<u>Adjacent Ways</u>	<u>Building Renewal Grant</u>	<u>New School Facilities</u>	<u>Totals</u>
\$ 27,100	\$	\$ 447	\$ 1,121,632
1,951,449			1,983,998
	82,309		82,309
<u>1,978,549</u>	<u>82,309</u>	<u>447</u>	<u>3,187,939</u>
			742
			2,562
897,728	82,309	7,850	3,840,752
<u>897,728</u>	<u>82,309</u>	<u>7,850</u>	<u>3,844,056</u>
1,080,821		(7,403)	(656,117)
500,910		23,198	10,276,619
<u>\$ 1,581,731</u>	<u>\$</u>	<u>\$ 15,795</u>	<u>\$ 9,620,502</u>

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Insurance Proceeds		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 17,805	\$ 17,805
Property taxes			
State aid and grants			
<b>Total revenues</b>	(250,000)	17,805	17,805
<b>Expenditures:</b>			
Current -			
Instruction		742	(742)
Support services - administration	250,000	2,562	247,438
Capital outlay			
Debt service -			
Bond issuance costs			
<b>Total expenditures</b>	250,000	3,304	246,696
<b>Excess (deficiency) of revenues over expenditures</b>	(250,000)	14,501	264,501
<b>Other financing sources (uses):</b>			
Transfers out			
Issuance of school improvement bonds			
Premium on sale of bonds			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(250,000)	14,501	264,501
<b>Fund balances, beginning of year</b>		267,455	267,455
<b>Fund balances (deficits), end of year</b>	\$ (250,000)	\$ 281,956	\$ 531,956

Litigation Recovery			Unrestricted Capital Outlay		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 7,732	\$ 7,732	\$	\$ 1,068,548 32,549	\$ 1,068,548 32,549
	<u>7,732</u>	<u>7,732</u>		<u>1,101,097</u>	<u>1,101,097</u>
325,000		325,000			
			11,313,586	2,852,865	8,460,721
<u>325,000</u>		<u>325,000</u>	<u>11,313,586</u>	<u>2,852,865</u>	<u>8,460,721</u>
<u>(325,000)</u>	<u>7,732</u>	<u>332,732</u>	<u>(11,313,586)</u>	<u>(1,751,768)</u>	<u>9,561,818</u>
<u>(325,000)</u>	<u>7,732</u>	<u>332,732</u>	<u>(11,313,586)</u>	<u>(1,751,768)</u>	<u>9,561,818</u>
	325,734	325,734		9,159,322	9,159,322
<u>\$ (325,000)</u>	<u>\$ 333,466</u>	<u>\$ 658,466</u>	<u>\$ (11,313,586)</u>	<u>\$ 7,407,554</u>	<u>\$ 18,721,140</u>

(Continued)



**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Adjacent Ways		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 27,100	\$ 27,100
Property taxes		1,951,449	1,951,449
State aid and grants			
<b>Total revenues</b>		<u>1,978,549</u>	<u>1,978,549</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - administration			
Capital outlay	2,380,188	897,728	1,482,460
Debt service -			
Bond issuance costs			
<b>Total expenditures</b>	<u>2,380,188</u>	<u>897,728</u>	<u>1,482,460</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(2,380,188)</u>	<u>1,080,821</u>	<u>3,461,009</u>
<b>Other financing sources (uses):</b>			
Transfers out			
Issuance of school improvement bonds			
Premium on sale of bonds			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(2,380,188)</u>	<u>1,080,821</u>	<u>3,461,009</u>
<b>Fund balances, beginning of year</b>		500,910	500,910
<b>Fund balances (deficits), end of year</b>	<u>\$ (2,380,188)</u>	<u>\$ 1,581,731</u>	<u>\$ 3,961,919</u>

<u>Bond Building</u>			<u>Building Renewal Grant</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
\$	\$ 1,201,625	\$ 1,201,625	\$	\$	\$
				82,309	82,309
	<u>1,201,625</u>	<u>1,201,625</u>		<u>82,309</u>	<u>82,309</u>
53,034,975	36,831,625	16,203,350	100,000	82,309	17,691
	463,461	(463,461)			
<u>53,034,975</u>	<u>37,295,086</u>	<u>15,739,889</u>	<u>100,000</u>	<u>82,309</u>	<u>17,691</u>
<u>(53,034,975)</u>	<u>(36,093,461)</u>	<u>16,941,514</u>	<u>(100,000)</u>		<u>100,000</u>
	(1,943,317)	(1,943,317)			
	50,075,000	50,075,000			
	8,286,490	8,286,490			
	<u>56,418,173</u>	<u>56,418,173</u>			
<u>(53,034,975)</u>	<u>20,324,712</u>	<u>73,359,687</u>	<u>(100,000)</u>		<u>100,000</u>
	66,879,681	66,879,681			
<u>\$ (53,034,975)</u>	<u>\$ 87,204,393</u>	<u>\$ 140,239,368</u>	<u>\$ (100,000)</u>	<u>\$</u>	<u>\$ 100,000</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	New School Facilities		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 447	\$ 447
Property taxes			
State aid and grants			
<b>Total revenues</b>	_____	447	447
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - administration			
Capital outlay	7,540	7,850	(310)
Debt service -			
Bond issuance costs			
<b>Total expenditures</b>	7,540	7,850	(310)
<b>Excess (deficiency) of revenues over expenditures</b>	(7,540)	(7,403)	137
<b>Other financing sources (uses):</b>			
Transfers out			
Issuance of school improvement bonds			
Premium on sale of bonds			
<b>Total other financing sources (uses)</b>	_____	_____	_____
<b>Changes in fund balances</b>	(7,540)	(7,403)	137
<b>Fund balances, beginning of year</b>		23,198	23,198
<b>Fund balances (deficits), end of year</b>	\$ (7,540)	\$ 15,795	\$ 23,335

Totals		
Budget	Actual	Variance - Positive (Negative)
\$	\$ 2,323,257	\$ 2,323,257
	1,983,998	1,983,998
	82,309	82,309
	<u>4,389,564</u>	<u>4,389,564</u>
325,000	742	324,258
250,000	2,562	247,438
66,836,289	40,672,377	26,163,912
	463,461	(463,461)
<u>67,411,289</u>	<u>41,139,142</u>	<u>26,272,147</u>
<u>(67,411,289)</u>	<u>(36,749,578)</u>	<u>30,661,711</u>
	(1,943,317)	(1,943,317)
	50,075,000	50,075,000
	8,286,490	8,286,490
	<u>56,418,173</u>	<u>56,418,173</u>
<u>(67,411,289)</u>	<u>19,668,595</u>	<u>87,079,884</u>
	77,156,300	77,156,300
<u>\$ (67,411,289)</u>	<u>\$ 96,824,895</u>	<u>\$ 164,236,184</u>

(This page intentionally left blank)

## STATISTICAL SECTION

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

### **Financial Trends**

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

### **Revenue Capacity**

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

### **Debt Capacity**

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

### **Demographic and Economic Information**

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

### **Operating Information**

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

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

(This page intentionally left blank)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
<b>Net Position:</b>					
Net investment in capital assets	\$ 239,006,633	\$ 245,271,047	\$ 242,247,329	\$ 231,477,848	\$ 224,804,432
Restricted	56,773,837	35,384,087	30,205,400	28,281,491	31,078,902
Unrestricted	<u>(86,845,737)</u>	<u>(89,098,444)</u>	<u>(114,982,601)</u>	<u>(120,509,199)</u>	<u>(138,723,564)</u>
Total net position	<u><u>\$ 208,934,733</u></u>	<u><u>\$ 191,556,690</u></u>	<u><u>\$ 157,470,128</u></u>	<u><u>\$ 139,250,140</u></u>	<u><u>\$ 117,159,770</u></u>
	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>
<b>Net Position:</b>					
Net investment in capital assets	\$ 215,907,836	\$ 206,699,293	\$ 201,298,690	\$ 196,012,654	\$ 176,022,580
Restricted	29,958,382	29,601,619	27,284,345	28,924,672	22,922,832
Unrestricted	<u>(149,213,069)</u>	<u>93,335,001</u>	<u>86,869,650</u>	<u>77,117,922</u>	<u>86,188,276</u>
Total net position	<u><u>\$ 96,653,149</u></u>	<u><u>\$ 329,635,913</u></u>	<u><u>\$ 315,452,685</u></u>	<u><u>\$ 302,055,248</u></u>	<u><u>\$ 285,133,688</u></u>

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



**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
<b>Expenses</b>					
Instruction	\$ 182,852,000	\$ 165,591,583	\$ 156,476,955	\$ 160,410,476	\$ 148,675,151
Support services - students and staff	44,841,377	37,398,672	36,299,108	39,376,509	37,841,857
Support services - administration	26,394,466	22,572,054	21,954,686	22,236,308	22,253,386
Operation and maintenance of plant services	46,100,777	45,545,526	42,256,376	40,872,182	39,748,757
Student transportation services	11,428,095	11,632,085	11,331,016	13,065,492	12,377,747
Operation of non-instructional services	16,255,986	15,566,504	15,243,656	16,038,352	15,086,738
Interest on long-term debt	10,387,507	10,294,736	9,502,016	9,066,977	9,874,251
Total expenses	<u>338,260,208</u>	<u>308,601,160</u>	<u>293,063,813</u>	<u>301,066,296</u>	<u>285,857,887</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	7,444,047	6,016,819	4,278,610	4,236,899	4,205,454
Operation of non-instructional services	9,254,310	9,711,131	10,888,646	10,653,855	9,952,481
Other activities	564,097	2,231,631	1,201,560	864,797	1,414,809
Operating grants and contributions	26,705,500	27,545,811	28,993,650	27,694,467	27,269,873
Capital grants and contributions	3,957,121	1,785,421	2,501,649	874,225	319,522
Total program revenues	<u>47,925,075</u>	<u>47,290,813</u>	<u>47,864,115</u>	<u>44,324,243</u>	<u>43,162,139</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (290,335,133)</u>	<u>\$ (261,310,347)</u>	<u>\$ (245,199,698)</u>	<u>\$ (256,742,053)</u>	<u>\$ (242,695,748)</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Expenses</b>					
Instruction	\$ 151,796,732	\$ 148,345,351	\$ 150,953,262	\$ 144,715,498	\$ 149,355,794
Support services - students and staff	36,968,070	36,538,577	38,013,792	33,464,769	33,331,954
Support services - administration	23,023,752	23,179,490	21,309,063	21,893,121	20,170,843
Operation and maintenance of plant services	38,770,828	41,192,714	38,827,569	37,904,353	34,741,772
Student transportation services	13,089,950	12,016,059	11,988,299	10,799,671	10,703,072
Operation of non-instructional services	14,963,883	14,884,097	13,881,739	13,566,276	13,518,059
Interest on long-term debt	10,564,464	12,181,656	10,774,654	9,925,521	12,108,525
Total expenses	<u>289,177,679</u>	<u>288,337,944</u>	<u>285,748,378</u>	<u>272,269,209</u>	<u>273,930,019</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	7,072,591	6,132,381	6,242,858	5,852,746	6,804,793
Operation of non-instructional services	10,141,607	9,673,667	8,911,341	8,985,322	8,794,072
Other activities	316,376	1,332,856	1,591,427	1,237,041	1,320,724
Operating grants and contributions	25,893,025	25,768,950	29,081,692	28,893,657	33,156,225
Capital grants and contributions	612,889	633,466	1,051,271	1,779,774	868,586
Total program revenues	<u>44,036,488</u>	<u>43,541,320</u>	<u>46,878,589</u>	<u>46,748,540</u>	<u>50,944,400</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (245,141,191)</u>	<u>\$ (244,796,624)</u>	<u>\$ (238,869,789)</u>	<u>\$ (225,520,669)</u>	<u>\$ (222,985,619)</u>

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

**(Concluded)**

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>
<b>Net (Expense)/Revenue</b>	\$ (290,335,133)	\$ (261,310,347)	\$ (245,199,698)	\$ (256,742,053)	\$ (242,695,748)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	134,087,723	136,583,445	130,282,792	130,008,172	119,283,245
Property taxes, levied for debt service	61,384,938	52,365,788	48,957,258	50,155,542	50,073,784
Property taxes, levied for capital outlay	1,939,864	7,191,643	5,742,075	5,773,048	6,565,163
Investment income	4,474,839	3,585,863	1,995,622	1,251,275	1,031,032
Unrestricted county aid	5,044,056	5,109,940	4,545,972	4,851,441	4,674,119
Unrestricted state aid	96,142,538	88,154,217	80,602,526	84,584,389	79,794,238
Unrestricted federal aid	2,971,737	2,406,013	2,444,084	2,208,556	1,780,788
<b>Total general revenues</b>	<u>306,045,695</u>	<u>295,396,909</u>	<u>274,570,329</u>	<u>278,832,423</u>	<u>263,202,369</u>
<b>Changes in Net Position</b>	<u>\$ 15,710,562</u>	<u>\$ 34,086,562</u>	<u>\$ 29,370,631</u>	<u>\$ 22,090,370</u>	<u>\$ 20,506,621</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Net (Expense)/Revenue</b>	\$ (245,141,191)	\$ (244,796,624)	\$ (238,869,789)	\$ (225,520,669)	\$ (222,985,619)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	114,370,870	118,188,493	118,759,150	111,452,164	114,852,436
Property taxes, levied for debt service	50,469,572	51,923,280	49,063,884	46,779,871	49,093,399
Property taxes, levied for capital outlay	5,768,266	6,631,552	6,658,059	9,112,742	9,238,097
Investment income	797,370	689,945	770,650	724,048	1,289,084
Unrestricted county aid	5,312,389	4,797,831	4,840,144	4,806,643	4,844,269
Unrestricted state aid	78,570,899	80,521,612	71,287,203	68,681,502	66,310,677
Unrestricted federal aid	1,087,114	627,315	888,136	885,259	2,142,260
<b>Total general revenues</b>	<u>256,376,480</u>	<u>263,380,028</u>	<u>252,267,226</u>	<u>242,442,229</u>	<u>247,770,222</u>
<b>Changes in Net Position</b>	<u>\$ 11,235,289</u>	<u>\$ 18,583,404</u>	<u>\$ 13,397,437</u>	<u>\$ 16,921,560</u>	<u>\$ 24,784,603</u>

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

**(Concluded)**

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
General Fund:					
Nonspendable	\$ 4,797,942	\$ 4,217,526	\$ 4,267,219	\$ 4,242,106	\$ 4,220,182
Assigned	14,456,542	7,117,432	6,775,968	16,805,190	15,750,000
Unassigned	54,288,384	53,714,306	48,602,601	31,718,621	23,814,571
Total General Fund	<u>\$ 73,542,868</u>	<u>\$ 65,049,264</u>	<u>\$ 59,645,788</u>	<u>\$ 52,765,917</u>	<u>\$ 43,784,753</u>
All Other Governmental Funds:					
Nonspendable	\$ 245,063	\$ 181,184	\$ 180,320	\$ 156,671	\$ 157,245
Restricted	141,688,720	101,508,594	92,588,678	74,944,584	81,467,961
Unassigned	(1,705,530)	(2,958,648)	(3,021,321)		
Total all other governmental funds	<u>\$ 140,228,253</u>	<u>\$ 98,731,130</u>	<u>\$ 89,747,677</u>	<u>\$ 75,101,255</u>	<u>\$ 81,625,206</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
General Fund:					
Nonspendable	\$ 4,139,601	\$ 4,049,637	\$ 5,834,278	\$ 3,943,639	\$ 4,166,371
Assigned	10,600,000	7,500,000	7,800,000	15,088,139	1,331,287
Unassigned	18,815,962	24,831,219	20,910,966	16,551,267	41,043,439
Total General Fund	<u>\$ 33,555,563</u>	<u>\$ 36,380,856</u>	<u>\$ 34,545,244</u>	<u>\$ 35,583,045</u>	<u>\$ 46,541,097</u>
All Other Governmental Funds:					
Nonspendable	\$ 209,314	\$ 232,920	\$ 172,116	\$ 178,825	\$ 157,923
Restricted	81,058,481	72,693,282	75,003,470	87,638,270	53,316,771
Unassigned					(960,237)
Total all other governmental funds	<u>\$ 81,267,795</u>	<u>\$ 72,926,202</u>	<u>\$ 75,175,586</u>	<u>\$ 87,817,095</u>	<u>\$ 52,514,457</u>

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

**(Concluded)**

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>
<b>Federal sources:</b>					
Federal grants	\$ 18,839,758	\$ 18,671,878	\$ 15,988,928	\$ 18,328,730	\$ 17,114,332
National School Lunch Program	5,887,706	7,187,104	7,076,158	7,539,819	6,999,337
Total federal sources	<u>24,727,464</u>	<u>25,858,982</u>	<u>23,065,086</u>	<u>25,868,549</u>	<u>24,113,669</u>
<b>State sources:</b>					
State equalization assistance	77,731,626	69,928,659	64,890,449	70,802,491	64,428,092
State grants	4,757,245	4,040,485	3,908,734	1,673,811	1,629,071
School Facilities Board	82,309	1,632,262	770,586	575,787	194,612
Other revenues	18,410,912	18,225,558	15,712,077	13,781,898	15,198,720
Total state sources	<u>100,982,092</u>	<u>93,826,964</u>	<u>85,281,846</u>	<u>86,833,987</u>	<u>81,450,495</u>
<b>Local sources:</b>					
Property taxes	204,050,972	197,573,587	185,111,732	186,722,575	182,509,806
County aid	5,044,056	5,109,940	4,545,972	4,851,441	4,674,119
Food service sales	1,888,461	2,268,882	2,021,553	2,008,117	1,875,803
Investment income	4,196,146	3,415,154	1,888,895	1,203,268	995,233
Other revenues	15,769,481	16,104,113	17,348,458	16,863,194	16,822,890
Total local sources	<u>230,949,116</u>	<u>224,471,676</u>	<u>210,916,610</u>	<u>211,648,595</u>	<u>206,877,851</u>
<b>Total revenues</b>	<u><u>\$ 356,658,672</u></u>	<u><u>\$ 344,157,622</u></u>	<u><u>\$ 319,263,542</u></u>	<u><u>\$ 324,351,131</u></u>	<u><u>\$ 312,442,015</u></u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Federal sources:</b>					
Federal grants	\$ 16,767,484	\$ 18,143,576	\$ 21,926,165	\$ 22,006,074	\$ 21,904,980
State Fiscal Stabilization (ARRA)					806,350
Education Jobs				420,987	6,237,496
National School Lunch Program	7,191,013	6,925,211	6,613,418	6,492,510	5,962,729
Total federal sources	<u>23,958,497</u>	<u>25,068,787</u>	<u>28,539,583</u>	<u>28,919,571</u>	<u>34,911,555</u>
<b>State sources:</b>					
State equalization assistance	66,135,627	67,017,819	60,038,408	58,289,638	58,850,858
State grants	1,622,618	1,413,335	1,812,466	1,781,609	580,194
Other revenues	12,453,233	13,541,359	11,248,795	10,553,091	8,077,349
Total state sources	<u>80,211,478</u>	<u>81,972,513</u>	<u>73,099,669</u>	<u>70,624,338</u>	<u>67,508,401</u>
<b>Local sources:</b>					
Property taxes	171,878,884	176,399,429	171,665,177	166,207,467	174,100,482
County aid	5,312,389	4,797,831	4,840,144	4,806,643	4,844,269
Food service sales	2,157,633	2,131,409	2,372,978	2,798,976	2,629,752
Investment income	775,901	679,495	770,650	759,674	1,289,084
Other revenues	15,965,015	15,847,526	14,965,520	14,722,196	15,227,341
Total local sources	<u>196,089,822</u>	<u>199,855,690</u>	<u>194,614,469</u>	<u>189,294,956</u>	<u>198,090,928</u>
<b>Total revenues</b>	<u>\$ 300,259,797</u>	<u>\$ 306,896,990</u>	<u>\$ 296,253,721</u>	<u>\$ 288,838,865</u>	<u>\$ 300,510,884</u>

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

**(Concluded)**



**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 153,821,044	\$ 153,406,570	\$ 138,559,685	\$ 142,190,748	\$ 130,572,068
Support services - students and staff	41,772,916	37,751,467	34,465,868	35,886,509	34,325,453
Support services - administration	24,315,128	22,276,578	20,491,721	20,390,252	20,105,209
Operation and maintenance of plant services	34,985,347	34,629,223	33,777,276	32,692,651	31,841,108
Student transportation services	9,675,552	10,675,529	9,931,788	10,251,913	9,754,779
Operation of non-instructional services	15,461,421	15,812,646	15,094,902	15,617,589	14,657,815
Capital outlay	42,904,260	62,233,161	47,644,270	48,602,598	44,851,317
Debt service -					
Interest and fiscal charges	13,382,672	13,506,182	10,308,675	10,078,540	10,734,748
Principal retirement	42,515,000	39,031,111	43,571,111	44,130,000	42,965,000
Bond issuance costs	463,461	412,866	369,352	273,611	287,080
<b>Total expenditures</b>	<u>\$ 379,296,801</u>	<u>\$ 389,735,333</u>	<u>\$ 354,214,648</u>	<u>\$ 360,114,411</u>	<u>\$ 340,094,577</u>
Expenditures for capitalized assets	\$ 30,732,869	\$ 42,158,997	\$ 34,674,754	\$ 32,542,522	\$ 30,817,787
Debt service as a percentage of noncapital expenditures	16%	15%	17%	17%	17%

**(Continued)**

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 132,259,807	\$ 131,410,651	\$ 132,506,658	\$ 130,063,015	\$ 123,274,282
Support services - students and staff	33,623,605	34,616,845	34,631,902	32,651,960	32,628,978
Support services - administration	19,964,090	19,278,445	18,370,419	19,422,437	17,961,360
Operation and maintenance of plant services	31,138,602	31,905,120	31,426,499	29,347,630	27,908,173
Student transportation services	10,394,959	10,198,125	10,021,376	9,350,647	8,816,949
Operation of non-instructional services	14,352,093	13,818,862	12,883,933	12,905,938	13,282,265
Capital outlay	49,958,513	62,150,444	69,606,520	35,492,583	16,510,738
Debt service -					
Interest and fiscal charges	11,437,909	12,646,790	12,232,493	12,064,185	12,046,412
Principal retirement	42,610,000	41,955,000	41,595,000	39,017,261	40,758,240
Bond issuance costs	485,479	325,568	275,338	412,000	364,556
<b>Total expenditures</b>	<u>\$ 346,225,057</u>	<u>\$ 358,305,850</u>	<u>\$ 363,550,138</u>	<u>\$ 320,727,656</u>	<u>\$ 293,551,953</u>
Expenditures for capitalized assets	\$ 35,562,424	\$ 48,233,501	\$ 53,028,117	\$ 28,444,374	\$ 13,751,871
Debt service as a percentage of noncapital expenditures	17%	18%	17%	17%	19%

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

**(Concluded)**

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (22,638,129)	\$ (45,577,711)	\$ (34,951,106)	\$ (35,763,280)	\$ (27,652,562)
<b>Other financing sources (uses):</b>					
General obligation bonds issued	50,075,000	53,310,000	49,885,000	33,870,000	36,700,000
Premium on sale of bonds	8,286,490	6,608,441	6,464,378	4,329,143	1,510,651
Transfers in	2,941,157	5,557,844	2,670,656	2,192,849	2,628,641
Transfers out	(2,941,157)	(5,557,844)	(2,670,656)	(2,192,849)	(2,628,641)
Proceeds from sale of capital assets	83,268	95,128	79,259		
Total other financing sources (uses)	<u>58,444,758</u>	<u>60,013,569</u>	<u>56,428,637</u>	<u>38,199,143</u>	<u>38,210,651</u>
<b>Changes in fund balances</b>	<u>\$ 35,806,629</u>	<u>\$ 14,435,858</u>	<u>\$ 21,477,531</u>	<u>\$ 2,435,863</u>	<u>\$ 10,558,089</u>
	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (45,965,260)	\$ (51,408,860)	\$ (67,296,417)	\$ (31,888,791)	\$ 6,958,931
<b>Other financing sources (uses):</b>					
General obligation bonds issued	49,000,000	50,000,000	50,000,000	54,000,000	25,625,000
Refunding bonds issued	21,325,000				22,095,000
Premium on sale of bonds	3,823,129	2,312,061	1,733,177	2,435,207	212,048
Transfers in	3,387,393	4,083,070	3,543,196	3,837,542	2,472,478
Transfers out	(3,387,393)	(4,083,070)	(3,543,196)	(3,837,542)	(2,472,478)
Payment to refunded bond escrow agent	(22,732,927)				(23,667,053)
Premium on sale of refunding bonds					1,636,791
Total other financing sources (uses)	<u>51,415,202</u>	<u>52,718,925</u>	<u>51,733,177</u>	<u>56,435,207</u>	<u>25,901,786</u>
<b>Changes in fund balances</b>	<u>\$ 5,449,942</u>	<u>\$ 1,310,065</u>	<u>\$ (15,563,240)</u>	<u>\$ 24,546,416</u>	<u>\$ 32,860,717</u>

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NET LIMITED ASSESSED VALUE AND FULL CASH VALUE OF TAXABLE PROPERTY BY CLASS**  
**LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Commercial, Industrial, Utilities and Mining	\$ 1,237,428,747	\$ 1,161,051,809	\$ 1,163,354,144	\$ 1,103,973,845	\$ 1,078,328,162
Agricultural and Vacant	75,632,028	63,202,501	51,725,695	51,386,012	54,123,587
Residential (Owner Occupied)	1,612,344,049	1,548,904,062	1,466,187,922	1,391,806,809	1,332,059,607
Residential (Rental)	679,021,213	604,613,944	570,367,257	529,729,163	476,405,056
Historical Property	4,534,541	3,140,774	4,698,080	4,742,175	5,496,946
Certain Government Property Improvements	247,099	287,161	89,974	52,550	50,047
<b>Total</b>	<b>\$ 3,609,207,677</b>	<b>\$ 3,381,200,251</b>	<b>\$ 3,256,423,072</b>	<b>\$ 3,081,690,554</b>	<b>\$ 2,946,463,405</b>
Gross Full Cash Value	\$ 44,044,671,383	\$ 40,316,011,325	\$ 38,147,507,007	\$ 35,263,747,444	\$ 31,995,010,889
Ratio of Net Limited Assessed Value to Gross Full Cash Value	8%	8%	9%	9%	9%
Total Direct Rate	6.39	6.55	6.55	6.97	6.99

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Commercial, Industrial, Utilities and Mining	\$ 1,127,060,533	\$ 1,113,412,414	\$ 1,226,943,255	\$ 1,365,469,278	\$ 1,659,865,599
Agricultural and Vacant	56,681,871	55,133,701	65,853,180	89,450,461	115,564,081
Residential (Owner Occupied)	1,285,928,160	1,226,701,891	1,356,941,623	1,531,298,363	1,819,636,080
Residential (Rental)	418,293,830	351,922,163	270,120,520	286,559,392	336,413,981
Historical Property	5,455,787	5,155,041	5,574,079	5,623,359	6,968,146
Certain Government Property Improvements	47,664	40,179	40,652	25,370	
<b>Total</b>	<b>\$ 2,893,467,845</b>	<b>\$ 2,752,365,389</b>	<b>\$ 2,925,473,309</b>	<b>\$ 3,278,426,223</b>	<b>\$ 3,938,447,887</b>
Gross Full Cash Value	\$ 27,055,583,422	\$ 24,941,121,629	\$ 26,047,199,391	\$ 29,480,405,329	\$ 36,602,314,594
Ratio of Net Limited Assessed Value to Gross Full Cash Value	11%	11%	11%	11%	11%
Total Direct Rate	6.78	7.15	6.59	5.70	4.90

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

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NET FULL CASH ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS**  
**LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Commercial, Industrial, Utilities and Mining	\$ 1,558,878,996	\$ 1,459,857,260	\$ 1,422,676,696	\$ 1,275,327,014	\$ 1,155,403,818
Agricultural and Vacant	122,314,167	101,096,253	91,063,850	76,127,501	64,328,057
Residential (Owner Occupied)	1,969,562,644	1,868,687,574	1,774,760,154	1,708,261,856	1,630,720,614
Residential (Rental)	917,979,750	790,785,624	731,053,749	663,613,616	580,245,112
Historical Property	4,728,250	3,433,750	4,698,080	4,788,364	6,319,334
Certain Government Property Improvements	<u>253,499</u>	<u>1,608,804</u>	<u>121,301</u>	<u>62,758</u>	<u>52,912</u>
Total	<u>\$ 4,573,717,306</u>	<u>\$ 4,225,469,265</u>	<u>\$ 4,024,373,830</u>	<u>\$ 3,728,181,109</u>	<u>\$ 3,437,069,847</u>
Gross Full Cash Value	44,044,671,383	40,316,011,325	38,147,507,007	35,263,747,444	31,995,010,889
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10%	10%	11%	11%	11%
Estimated Net Full Cash Value	37,193,300,911	34,487,911,488	32,664,102,652	30,512,649,606	27,954,500,602
Total Direct Rate	6.39	6.55	6.55	6.97	6.99

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Commercial, Industrial, Utilities and Mining	\$ 1,139,846,461	\$ 1,118,168,192	\$ 1,230,005,626	\$ 1,375,772,437	\$ 1,890,713,840
Agricultural and Vacant	59,946,786	56,373,406	66,718,430	94,727,130	149,596,402
Residential (Owner Occupied)	1,325,827,762	1,229,206,061	1,358,066,518	1,531,723,705	1,826,844,568
Residential (Rental)	439,331,824	356,019,012	270,510,858	286,653,695	352,091,226
Historical Property	5,807,154	5,613,049	5,653,162	5,623,359	6,968,146
Certain Government Property Improvements	<u>47,664</u>	<u>40,179</u>	<u>40,652</u>	<u>25,370</u>	<u></u>
Total	<u>\$ 2,970,807,651</u>	<u>\$ 2,765,419,899</u>	<u>\$ 2,930,995,246</u>	<u>\$ 3,294,525,696</u>	<u>\$ 4,226,214,182</u>
Gross Full Cash Value	27,055,583,422	24,941,121,629	26,047,199,391	29,480,405,329	36,602,314,594
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	11%	11%	11%	11%	12%
Estimated Net Full Cash Value	23,439,918,076	21,359,921,813	22,274,487,606	24,958,413,614	31,018,772,780
Total Direct Rate	6.78	7.15	6.59	5.70	4.90

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

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69  
PROPERTY TAX ASSESSMENT RATIOS  
LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Commercial, Industrial, Utilities and Mining	18 %	18 %	18 %	18 %	19 %
Agricultural and Vacant	15	15	15	15	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	15	14	15	14	15

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Commercial, Industrial, Utilities and Mining	19 %	20 %	20 %	20 %	21 %
Agricultural and Vacant	16	16	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	16	15	15	15	17

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

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS**

<b>Overlapping Rates</b>											
<b>Fiscal Year Ended June 30</b>	<b>Overlapping Rates</b>								<b>District Direct Rates</b>		
	<b>State Equalization</b>	<b>County</b>	<b>Flood Control District</b>	<b>Community College District</b>	<b>Central Arizona Water</b>	<b>City of Phoenix</b>	<b>City of Scottsdale</b>	<b>Western Maricopa Education Center District No. 402</b>	<b>Primary</b>	<b>Secondary</b>	<b>Total</b>
2020	0.46	1.40	0.18	1.33	0.14	2.13	1.04	0.16	3.91	2.47	6.39
2019	0.47	1.40	0.18	1.38	0.14	2.14	1.10	0.15	4.04	2.51	6.55
2018	0.49	1.40	0.18	1.41	0.14	2.16	1.08	0.18	4.14	2.41	6.55
2017	0.50	1.40	0.18	1.47	0.14	2.17	1.13	0.08	4.38	2.59	6.97
2016	0.51	1.36	0.16	1.49	0.14	1.82	1.05	0.07	4.34	2.65	6.99
2015	0.51	1.32	0.14	1.52	0.14	1.82	1.24	0.08	4.11	2.67	6.78
2014	0.51	1.28	0.14	1.53	0.14	1.82	1.29	0.06	4.28	2.87	7.15
2013	0.47	1.24	0.18	1.38	0.10	1.82	1.23	0.05	3.98	2.61	6.59
2012	0.43	1.24	0.18	1.21	0.10	1.82	1.09	0.05	3.33	2.37	5.70
2011	0.36	1.05	0.15	0.97	0.10	1.82	0.90	0.05	3.01	1.89	4.90

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<b>Taxpayer</b>	<b>2020</b>		<b>2011</b>	
	<b>Net Limited Assessed Valuation</b>	<b>Percentage of District's Net Limited Assessed Valuation</b>	<b>Net Full Cash Assessed Valuation</b>	<b>Percentage of District's Net Full Cash Assessed Valuation</b>
Arizona Public Service Co	\$ 74,986,888	2.08 %	\$ 71,159,030	1.68 %
Host Kierland LP	40,957,121	1.13	\$ 63,927,591	1.51
SDQ Fee LLC	32,749,226	0.91		
Kierland Greenway LLC	24,311,143	0.67		
Excel Owner Promenade LLC	20,529,275	0.57		
Car Uni AZ Scott LLC	16,210,517	0.45		
Paradise Valley Mall SPE LLC	15,657,987	0.43	22,333,799	0.53
Henkel Corporation	15,065,559	0.42		
Southwest Gas Corporation	13,030,227	0.36		
Scottsdale Kierland Properties LLC	12,186,069	0.34		
JW Marriott Desert/CNL			32,183,377	0.76
Scottsdale Princess Partnership			\$ 26,578,641	0.63
Vestar DRM-OPCO LLC			22,680,697	0.54
Thomson Property Tax Services			19,273,610	0.46
VHS Acquisition Subsidiary No. 1 Inc.			18,169,104	0.43
Phoenix High Ground LLC			17,637,089	0.42
Car Chauncey LLC			17,343,503	0.41
Total	<u>\$ 265,684,012</u>	<u>7.36 %</u>	<u>\$ 311,286,441</u>	<u>7.37 %</u>

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

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



**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Fiscal Years	Collected to the End of the Current Fiscal Year	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2020	\$ 229,870,367	\$ 218,955,770	95.25 %	\$	\$ 218,955,770	95.25 %
2019	223,389,541	213,556,950	95.60	9,759,495	223,316,445	99.97
2018	213,770,990	201,533,693	94.28	12,215,821	213,749,514	99.99
2017	214,611,698	204,031,046	95.07	10,563,349	214,594,395	99.99
2016	205,875,879	203,065,319	98.63	2,790,653	205,855,972	99.99
2015	195,496,054	185,610,048	94.94	9,858,722	195,468,770	99.99
2014	197,332,809	187,244,840	94.89	10,065,861	197,310,701	99.99
2013	192,656,306	182,985,070	94.98	9,653,519	192,638,589	99.99
2012	187,335,477	177,989,201	95.01	7,564,267	185,553,468	99.05
2011	198,636,145	188,780,584	95.04	9,824,762	198,605,346	99.98

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

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

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69  
OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	General Obligation Bonds					Total Outstanding Debt				
	General Obligation Bonds	Less: Amounts Restricted for Principal	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Capital Leases	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Percentage of Personal Income
2020	\$ 380,077,633	\$ 28,563,793	\$ 351,513,840	0.80 %	\$ 1,307	\$	\$ 380,077,633	0.86 %	\$ 1,413	N/A %
2019	351,870,197	6,570,631	345,299,566	0.86	1,295		351,870,197	0.87	1,320	0.17
2018	338,329,981	2,009,015	336,320,966	0.88	1,272		338,329,981	0.89	1,279	0.17
2017	327,884,766	4,354,867	323,529,899	0.92	1,223		327,884,766	0.93	1,240	0.18
2016	333,943,771	5,981,324	327,962,447	1.03	1,328		333,943,771	1.04	1,352	0.19
2015	339,485,202	6,440,035	333,045,167	1.23	1,349		339,485,202	1.25	1,375	0.20
2014	323,525,000	6,361,517	317,163,483	1.27	1,304		323,525,000	1.30	1,330	0.22
2013	315,120,000	4,288,195	310,831,805	1.19	1,285		315,120,000	1.21	1,303	0.21
2012	302,465,000	6,191,985	296,273,015	1.00	1,233		302,465,000	1.03	1,259	0.21
2011	286,745,000	4,182,191	282,562,809	0.77	1,225	1,672,261	288,417,261	0.79	1,250	0.20

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

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**JUNE 30, 2020**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to School District</u>	<u>Estimated Amount Applicable to School District</u>
Overlapping:			
Maricopa County Community College District	\$ 312,450,000	8.36 %	\$ 26,120,820
Maricopa County Special Healthcare District	459,125,000	8.36	38,382,850
City of Phoenix	1,085,050,000	19.11	207,353,055
City of Scottsdale	476,380,000	17.08	81,365,704
Western Maricopa Education Center	169,545,000	22.66	38,418,897
Subtotal, Overlapping Debt			<u>391,641,326</u>
Direct:			
Paradise Valley Unified School District No. 69		100.00	<u>380,077,633</u>
Total Direct and Overlapping Governmental Activities Debt			<u>\$ 771,718,959</u>

**DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS**

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation		8.18 %
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 2,846	
As a Percentage of Net Limited Assessed Valuation		16.74 %
As a Percentage of Gross Full Cash Value		1.74 %

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

**Note:** Estimated percentage of debt outstanding applicable to the District is calculated based on the District's net limited assessed valuation as a percentage of the net limited assessed valuation of the overlapping jurisdiction.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

**Total Legal Debt Margin Calculation for Fiscal Year 2020:**

Net full cash assessed valuation	\$ 4,573,717,306
Debt limit (30% of assessed value)	1,372,115,192
Debt applicable to limit	374,020,121
Monies held in escrow for QSCB	(12,540,879)
Legal debt margin	<u>\$ 1,010,635,950</u>

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>
Debt Limit	\$ 1,372,115,192	\$ 1,267,640,780	\$ 1,207,312,149	\$ 1,118,454,333	\$ 1,031,120,954
Total net debt applicable to limit	<u>361,479,242</u>	<u>344,915,226</u>	<u>331,165,000</u>	<u>319,195,000</u>	<u>324,660,000</u>
Legal debt margin	<u>\$ 1,010,635,950</u>	<u>\$ 922,725,554</u>	<u>\$ 876,147,149</u>	<u>\$ 799,259,333</u>	<u>\$ 706,460,954</u>
Total net debt applicable to the limit as a percentage of debt limit	26%	27%	27%	29%	31%
	<u><b>2015</b></u>	<u><b>2014</b></u>	<u><b>2013</b></u>	<u><b>2012</b></u>	<u><b>2011</b></u>
Debt Limit	\$ 891,242,295	\$ 829,625,970	\$ 879,298,574	\$ 988,357,709	\$ 1,267,864,255
Total net debt applicable to limit	<u>330,570,000</u>	<u>323,525,000</u>	<u>315,120,000</u>	<u>302,465,000</u>	<u>286,745,000</u>
Legal debt margin	<u>\$ 560,672,295</u>	<u>\$ 506,100,970</u>	<u>\$ 564,178,574</u>	<u>\$ 685,892,709</u>	<u>\$ 981,119,255</u>
Total net debt applicable to the limit as a percentage of debt limit	37%	39%	36%	31%	23%

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

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**CLASS B BOND LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**

**Class B Bond Legal Debt Margin Calculation for Fiscal Year 2020:**

Net full cash assessed value	\$ 4,573,717,306
Debt limit (20% of assessed value)	914,743,461
Debt applicable to limit	374,020,121
Monies held in escrow for QSCB	<u>(12,540,879)</u>
Legal debt margin	<u>\$ 553,264,219</u>

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
Debt Limit	\$ 914,743,461	\$ 845,093,853	\$ 804,874,766	\$ 745,636,222	\$ 687,413,969
Total net debt applicable to limit	<u>361,479,242</u>	<u>344,915,226</u>	<u>331,165,000</u>	<u>319,195,000</u>	<u>296,745,000</u>
Legal debt margin	<u>\$ 553,264,219</u>	<u>\$ 500,178,627</u>	<u>\$ 473,709,766</u>	<u>\$ 426,441,222</u>	<u>\$ 390,668,969</u>
Total net debt applicable to the limit as a percentage of debt limit	40%	41%	41%	43%	43%
	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>
Debt Limit	\$ 594,161,530	\$ 293,099,525	\$ 329,452,570	\$ 422,621,418	\$ 478,397,737
Total net debt applicable to limit	<u>292,050,000</u>	<u>224,185,000</u>	<u>188,535,000</u>	<u>150,095,000</u>	<u>143,540,000</u>
Legal debt margin	<u>\$ 302,111,530</u>	<u>\$ 68,914,525</u>	<u>\$ 140,917,570</u>	<u>\$ 272,526,418</u>	<u>\$ 334,857,737</u>
Total net debt applicable to the limit as a percentage of debt limit	49%	76%	57%	36%	30%

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

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69  
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN CALENDAR YEARS**

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands)</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>	<u>Estimated District Population</u>
2019	4,367,835	\$ N/A	\$ N/A	3.6 %	269,000
2018	4,294,460	210,370,180	47,694	4.1	266,600
2017	4,307,033	196,286,191	45,573	4.2	264,500
2016	4,137,076	185,112,000	40,415	4.5	264,471
2015	4,008,651	175,437,829	42,092	5.9	246,921
2014	4,076,438	168,483,421	41,222	5.2	246,921
2013	4,009,412	147,700,000	27,552	6.2	243,300
2012	3,824,058	147,374,500	38,539	9.1	241,900
2011	3,843,370	142,864,275	37,352	8.4	240,225
2010	3,817,117	142,091,618	35,319	8.5	230,663

**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 for 2010 is the University of Arizona, Eller College of Management, Economic and Business Research Center. For 2011 through 2016, the source of the information is the Arizona Office of Employment and Population Statistics. For 2017 through 2019 the source of the "Population" is the Bureau of Economic Analysis and the "Unemployment Rate" is the Arizona Office of Employment and Population Statistics

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69  
PRINCIPAL EMPLOYERS  
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<u>Employer</u>	<u>2020</u>		<u>2011</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Mayo Clinic	4,560	3.94 %	2,781	2.80 %
Paradise Valley Unified School Dist 69	3,870	3.34	3,694	3.72
Vanguard	3,300	2.85	1,525	1.54
American Express	2,590	2.24	1,205	1.21
Frys Food Stores	990	0.86	906	0.91
Favorite Healthcare Staffing Inc	910	0.79		-
Marriott	880	0.76		-
Republic Services	860	0.74		-
Go Daddy Software Inc	850	0.73		-
Costco Wholesale	830	0.72		-
HonorHealth	790	0.68		-
Walmart	780	0.67	1,023	1.03
Sprouts Farmers Market	740	0.64		-
Axon Enterprise Inc	730	0.63		-
City of Phoenix			1,123	1.13
STMicroelectronics, Inc.			1,000	1.01
Prudential Real Estate			782	0.79
Home Depot			778	0.78
Autokam				-
Taser International, Inc.				-
The Westin Kierland Resort				-
Total	<u>22,680</u>	<u>19.59 %</u>	<u>14,817</u>	<u>14.92 %</u>
Total employment	<u>115,740</u>		<u>99,245</u>	

**Sources:** The source of the information is the District's records

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE**  
**LAST TEN FISCAL YEARS**

	<b>Full-time Equivalent Employees as of June 30</b>				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Supervisory</b>					
Consultants/supervisors of instruction	53	52	53	59	56
Principals	43	43	43	43	44
Assistant principals	19	19	19	20	20
Total supervisory	<u>115</u>	<u>114</u>	<u>115</u>	<u>122</u>	<u>120</u>
<b>Instruction</b>					
Teachers	1,627	1,650	1,687	1,762	1,633
Other professionals (instructional)	188	165	174	184	159
Aides	350	416	367	363	369
Total instruction	<u>2,165</u>	<u>2,231</u>	<u>2,228</u>	<u>2,309</u>	<u>2,161</u>
<b>Student Services</b>					
Nurses	39	43	35	45	40
Counselors/Advisors	39	33	33	33	33
Librarians	12	12	12	14	17
Other student service workers	36	21	31	22	39
Total student services	<u>126</u>	<u>109</u>	<u>111</u>	<u>114</u>	<u>129</u>
<b>Support and Administration</b>					
Other classified	917	924	952	971	943
Total support and administration	<u>917</u>	<u>924</u>	<u>952</u>	<u>971</u>	<u>943</u>
<b>Total</b>	<u><u>3,323</u></u>	<u><u>3,378</u></u>	<u><u>3,406</u></u>	<u><u>3,516</u></u>	<u><u>3,353</u></u>

(Continued)



**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE  
LAST TEN FISCAL YEARS**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Supervisory</b>					
Consultants/supervisors of instruction	65	53	46	42	39
Principals	44	44	46	46	41
Assistant principals	20	19	20	20	17
Total supervisory	<u>129</u>	<u>116</u>	<u>112</u>	<u>108</u>	<u>97</u>
<b>Instruction</b>					
Teachers	1,723	1,723	1,791	1,782	1,782
Other professionals (instructional)	160	167			
Aides	377	352	350	378	320
Total instruction	<u>2,260</u>	<u>2,242</u>	<u>2,141</u>	<u>2,160</u>	<u>2,102</u>
<b>Student Services</b>					
Nurses	47				
Counselors/Advisors	36				
Librarians	19				
Other student service workers	22	103	77	69	57
Total student services	<u>124</u>	<u>103</u>	<u>77</u>	<u>69</u>	<u>57</u>
<b>Support and Administration</b>					
Other classified	905	1,105	1,079	1,218	1,013
Total support and administration	<u>905</u>	<u>1,105</u>	<u>1,079</u>	<u>1,218</u>	<u>1,013</u>
<b>Total</b>	<u><u>3,418</u></u>	<u><u>3,566</u></u>	<u><u>3,409</u></u>	<u><u>3,555</u></u>	<u><u>3,269</u></u>

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

**(Concluded)**

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**OPERATING STATISTICS**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30</b>	<b>Average Daily Membership</b>	<b>Operating Expenditures</b>	<b>Cost per Pupil</b>	<b>Percentage Change</b>	<b>Expenses</b>	<b>Cost per Pupil</b>	<b>Percentage Change</b>	<b>Teaching Staff</b>	<b>Pupil-Teacher Ratio</b>	<b>Percentage of Free/Reduced Students</b>
2020	29,489	\$ 280,031,408	\$ 9,496	2.93 %	\$ 338,260,208	\$ 11,471	10.62 %	1,627	18.1	35.0 %
2019	29,760	274,552,013	9,226	10.38	308,601,160	10,370	6.82	1,650	18.0	36.1
2018	30,188	252,321,240	8,358	(0.28)	293,063,813	9,708	(1.12)	1,687	17.9	36.5
2017	30,665	257,029,662	8,382	7.59	301,066,296	9,818	6.36	1,762	17.4	36.5
2016	30,968	241,256,432	7,791	(0.03)	285,857,887	9,231	(0.98)	1,633	19.0	37.2
2015	31,020	241,733,156	7,793	0.21	289,177,679	9,322	0.29	1,723	18.0	37.3
2014	31,021	241,228,048	7,776	1.54	288,337,944	9,295	1.88	1,723	18.0	37.4
2013	31,319	239,840,787	7,658	3.16	285,748,378	9,124	5.52	1,791	17.5	40.4
2012	31,488	233,741,627	7,423	4.50	272,269,209	8,647	(0.51)	1,782	17.7	35.1
2011	31,517	223,872,007	7,103	(2.47)	273,930,019	8,692	3.43	1,782	17.7	34.4

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

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**CAPITAL ASSETS INFORMATION**  
**LAST TEN FISCAL YEARS**

	<b>Fiscal Year Ended June 30</b>									
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b><u>Schools</u></b>										
<b><u>Elementary</u></b>										
Buildings	125	125	125	125	117	117	117	117	117	114
Square feet	2,392,799	2,392,799	2,366,799	2,366,799	2,373,034	2,373,034	2,373,034	2,373,034	2,373,034	2,284,370
Capacity	34,146	34,146	34,146	34,146	34,146	34,146	34,146	34,146	34,146	33,346
Enrollment	15,504	15,648	15,327	16,685	17,225	17,371	17,736	18,293	18,021	17,459
<b><u>Middle</u></b>										
Buildings	68	68	68	68	68	68	68	68	68	68
Square feet	767,275	767,275	767,275	767,275	766,450	766,450	766,450	766,450	766,450	766,450
Capacity	8,546	8,546	8,546	8,546	8,546	8,546	8,546	8,546	8,546	8,546
Enrollment	4,832	4,785	4,803	4,934	4,781	4,833	4,842	4,847	4,848	5,019
<b><u>High</u></b>										
Buildings	61	61	61	61	52	52	53	52	52	52
Square feet	1,768,120	1,768,120	1,768,120	1,768,120	1,718,659	1,718,659	1,691,620	1,662,596	1,662,596	1,662,596
Capacity	17,227	17,227	17,227	17,227	17,227	17,227	17,227	16,503	16,503	16,503
Enrollment	9,945	10,070	10,060	9,866	9,837	9,978	10,303	12,494	10,396	10,068
<b><u>Administrative</u></b>										
Buildings	21	21	21	21	11	11	11	11	11	11
Square feet	261,857	261,857	316,857	316,857	212,691	112,691	112,691	212,691	112,691	212,691
<b><u>Transportation</u></b>										
Garages	1	1	1	1	1	1	1	1	1	1
Buses	155	159	165	171	174	175	175	166	172	172
<b><u>Athletics</u></b>										
Football fields	10	10	12	12	12	12	12	12	12	12
Soccer fields	12	12	44	44	44	44	44	44	44	44
Running tracks	12	12	44	44	44	44	44	44	44	44
Baseball/softball	71	71	88/90	88/90	88/90	88/90	88/90	88/90	88/89	88/89
Playgrounds	85	85	37	37	36	36	35	35	33	33

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