



Annual Comprehensive  
**FINANCIAL  
REPORT**

For The Year Ended June 30, 2022

Phoenix, Arizona



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

**PHOENIX, ARIZONA**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

For the Year Ended June 30, 2022

**BOARD OF EDUCATION**

Susan Matura .....	President
Anne Greenberg.....	Member
Julie Bacon.....	Member
Michael Laney .....	Member
Nancy Case .....	Member

**SUPERINTENDENT**

Dr. Troy Bales

Prepared by:

Business Operations Office

Jill Barragan, Assistant Superintendent for Business Operations

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

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## **INTRODUCTORY SECTION**

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December 8, 2022

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 annual comprehensive financial report of the Paradise Valley Unified School District No. 69 (District) for the fiscal year ended June 30, 2022.

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, 2022, 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, 2022, 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 Report.

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 Programmes; Advancement Via Individual Determination, Core Knowledge©; Science, Technology, Engineering, Math (STEM), gifted and special education, dual language immersion (Mandarin and Spanish), fine arts including the North Valley Arts Academies (grades 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 28,856 students, the District is the seventh-largest school district in the state of Arizona. The District employs 101 administrators, more than 2,124 certified classroom teachers and other instructional personnel, and 1,303 support personnel.

### **Vision:**

Every learner empowered for a lifetime of success.

### **Motto:**

A Journey of Excellence

### **Mission:**

We engage, inspire, and nurture students through high-quality instruction, meaningful educational opportunities, and dynamic learning experiences.

**Goals:**

1. Student Experience - Provide students with learning environments that include rich academic and extracurricular experiences, supports, and programs to prepare them for a successful future. To create a culturally proficient climate that ensures equity and access for all in PVSchools.
2. Staff Experience - Foster a supportive and collaborative work environment that makes PVSchools an exemplary place to thrive.
3. Educational Environment - Support a district-wide culture that promotes a robust equitable educational experience; prioritizes relationships among students, staff, and families; and meets learners' unique needs to maximize their potential.
4. Community Strength - Build meaningful relationships with new and existing partners to provide opportunities that enrich the lives of our diverse students, staff, families, and community.
5. Diversity, Equity, and Inclusion - Develop, respect, and value diverse thinking and experiences that lead to safe, equitable, and inclusive environments for all.
6. Optimized Resources - Acquire and prioritize resources to equitably advance PVSchools' vision, mission, values, and strategic goals.

**Values:**

1. Student-Focus - We approach each decision and interaction with every student's success and well-being as a priority.
2. Innovation - We nurture creativity, curiosity, and strategic thinking through dynamic learning experiences.
3. Collaboration - We cultivate respectful and meaningful relationships to support high expectations and a culture of growth.
4. Integrity - We model character, equity, and ethical behavior in all we do.
5. Growth - We foster continuous progress, development and learning.
6. Respect - We model civility, dignity, and thoughtful consideration in our communication and actions.

PVSchools' faculty and staff received numerous awards during the 2021-22 school year, including the Arizona Science Teacher Association 2021 High School Science Teacher of the Year, Arizona Community Education Association 2022 Administrative Regional Leader of the Year, and Arizona Interscholastic Athletic Administrators Association's 4A Conference Athletic Director of the Year.

PVSchools students also received numerous awards during the 2021-22 school year, including National Merit Finalists (2022 Scholarship Program), College Board National Recognition Program Finalists, 2022 Arizona DECA Conference, 2022 Arizona Science and Engineering Fair, 2022 National History Day Arizona State Competition, Skills USA State Championship, HOSA Future Health Professionals State Leadership Conference, eCybermission STEM Competition, and Fall 2021 InvestWrite Elementary School State Competition.

PV Schools' graduating class of 2022 were awarded scholarships worth more than \$59.0 million collectively.

Scholarships awarded by schools:

- Horizon High School: \$10.3 million
- Pinnacle High School: \$22.2 million
- North Canyon High School: \$8.1 million
- Paradise Valley High School: \$11.0 million
- Shadow Mountain High School: \$7.7 million
- PVOnline: \$30,000

The 2021-22 school year has presented our district with many challenges. COVID-19 has impacted most educational aspects of our district and student achievement has been no exception. The district is leveraging resources to address learning loss and increase student preparedness for the upcoming 2022 state assessments. PVUSD schools will not receive letter grades for the 2021-22 school year in accordance with House Bill 2402 which "provides some flexibility around the state's A-F letter grade system." Additionally, on March 3, 2021, Governor Ducey signed Executive Order 2021-03 titled "Using Data to Support Success for Arizona Students". The order stated that the Arizona State Board of Education shall utilize the statewide assessment (AzM2) data, and other assessment or academic data, from the 2020-21 school year to draw comparisons to prior years and identify the extent of learning loss that has occurred. PVUSD will be utilizing this information, provided by ADE in conjunction with our internal assessment data, to continue improvement efforts.

In the Spring of 2022, PVUSD administered AzM2, Arizona's statewide achievement assessment for English Language Arts (ELA) and Mathematics. AzM2 assessments were administered to all students in grades third through eighth, and 10th grade. PVUSD 11th grade students took the ACT assessment as part of the state's menu of assessments.

In 2022, all grade levels (3rd-8th and 10th) in PVUSD surpassed the state average percent passing rate in ELA and 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 9,224 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 almost 4.5 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 600,000 people added from April 2010 through April 2021.

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. Another sector of growth has been financial services and banking as several significant processing and/or regional headquarters operations are located in Phoenix, such as American Express, Chase Bank, Bank of America, Discover Card Services and Wells Fargo Bank. High technology and aerospace firms hold a considerable share of the manufacturing jobs throughout the state.

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 45.2% to \$4.0 billion. 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 91.3% to \$5.29 billion.

**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 29.5 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 \$236.0 million in bonds of which approximately \$153.0 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 in November 2022 generating approximately \$31.2 million in total additional operating funds annually. This override will begin a 3-year phase down in 2028-29 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 annual comprehensive financial report for the fiscal year ended June 30, 2021. This was the 33rd 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 annual comprehensive financial report for the fiscal year ended June 30, 2021. In order to be awarded these certificates, the District published an easily readable and efficiently organized annual comprehensive 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 annual comprehensive 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,



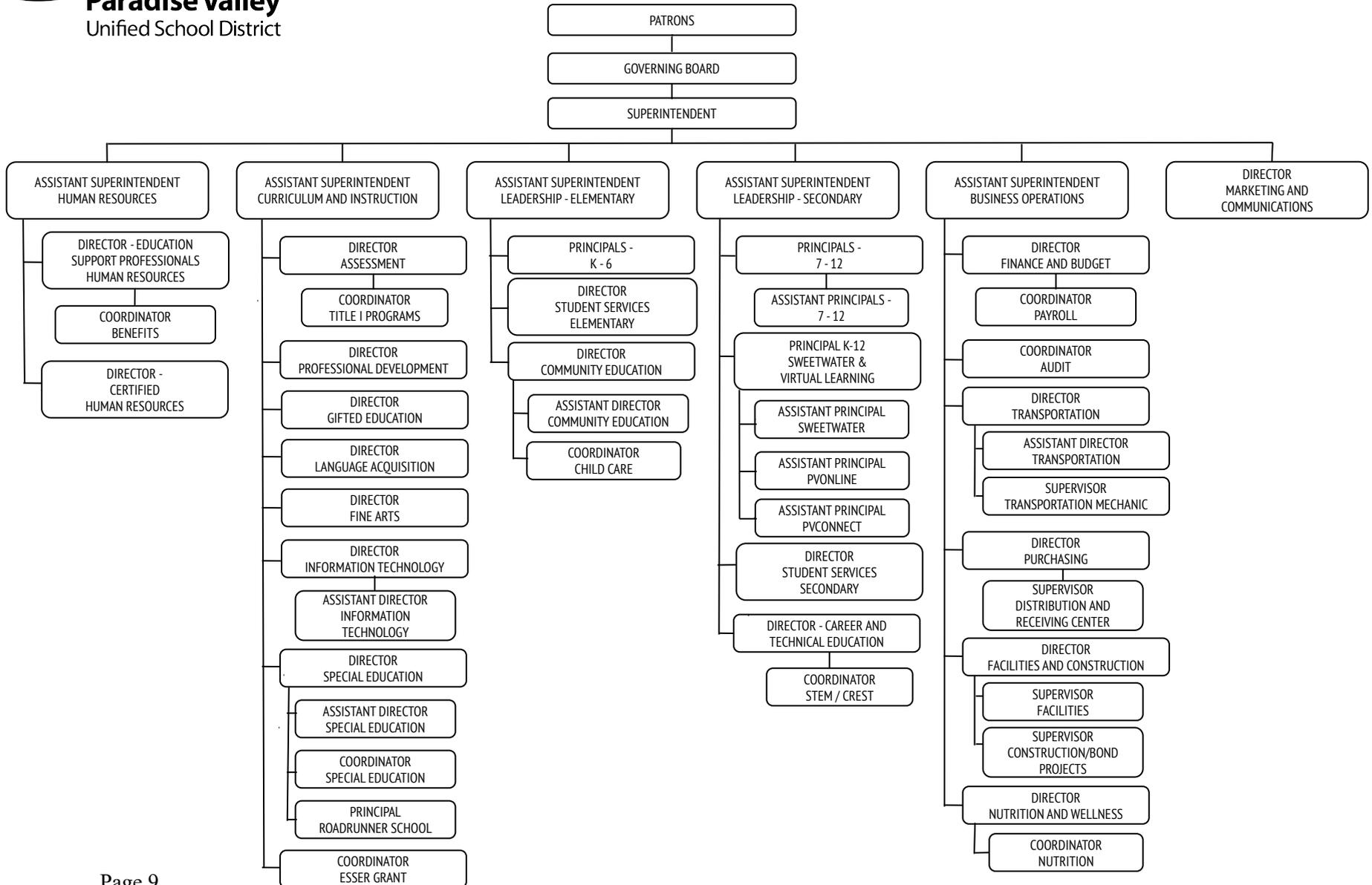
Dr. Troy Bales  
Superintendent



Jill Barragan  
Assistant Superintendent for  
Business Operations

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# 2022-2023 ORGANIZATIONAL CHART



# Governing Board



**Ms. Susan Matura**  
*President*



**Ms. Julie Bacon**  
*Member*



**Ms. Nancy Case**  
*Member*



**Ms. Anne Greenberg**  
*Member*



**Mr. Michael Laney**  
*Member*

# Superintendency



**Dr. Troy Bales**  
*Superintendent*



**Mrs. Jill Barragan**  
*Assistant Superintendent  
of Business Operations*



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



**Dr. Shaun Holmes**  
*Assistant Superintendent  
of Human Resources*



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



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



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

The Certificate of Excellence in Financial Reporting  
is presented to

**Paradise Valley Unified School District 69**

for its Annual Comprehensive Financial Report  
for the Fiscal Year Ended June 30, 2021.

The district report meets the criteria established for  
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'William A. Sutter'.

William A. Sutter  
President

A handwritten signature in black ink, reading 'David J. Lewis'.

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 Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO

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**FINANCIAL SECTION**

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## Independent Auditor's Report

Governing Board  
Paradise Valley Unified School District No. 69

### **Report on Audit of Financial Statements**

#### ***Opinions***

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, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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, 2022, 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.

#### ***Basis for Opinions***

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. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Paradise Valley Unified School District No. 69 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in Note 1, the District implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended June 30, 2022, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### ***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 is the responsibility of management and, 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.

### *Supplementary 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 Combining and Individual Fund Financial Statements and Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates 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.

### *Other Information*

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and Statistical Section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on other work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2022, 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.  
Scottsdale, Arizona  
December 8, 2022

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

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**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2022**

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, 2022. 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 \$12.6 million which represents a six percent increase from the prior fiscal year as a result of state aid and property tax revenue increases outpacing expense increases.
- General revenues accounted for \$318.0 million in revenue, or 80 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$77.4 million or 20 percent of total current fiscal year revenues.
- The District had approximately \$382.8 million in expenses related to governmental activities, an increase of eight percent from the prior fiscal year.
- Among major funds, the General Fund had \$232.9 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$229.2 million in expenditures. The General Fund's fund balance increase from \$86.9 million at the prior fiscal year end to \$90.6 million at the end of the current fiscal year was primarily due to a planned budgetary surplus.
- Net position for the Internal Service Fund decreased \$901,186 from the prior fiscal year. The decrease is due to the District utilizing net position for operating expenses.

### **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, 2022**

**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, 2022**

**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, Other Federal Projects, 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 and major Special Revenue 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, 2022**

**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 \$223.2 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, 2022 and June 30, 2021.

	As of <u>June 30, 2022</u>	As of <u>June 30, 2021</u>
Current and other assets	\$ 318,077,218	\$ 320,145,296
Capital assets, net	589,500,069	571,594,865
Total assets	<u>907,577,287</u>	<u>891,740,161</u>
 Deferred outflows	 <u>54,006,295</u>	 <u>54,581,540</u>
 Current and other liabilities	 26,900,456	 35,705,572
Long-term liabilities	644,560,376	699,975,094
Total liabilities	<u>671,460,832</u>	<u>735,680,666</u>
 Deferred inflows	 <u>66,911,008</u>	 <u>0</u>
 Net position:		
Net investment in capital assets	248,076,152	243,800,072
Restricted	61,889,973	53,761,691
Unrestricted	(86,754,383)	(86,920,728)
Total net position	<u>\$ 223,211,742</u>	<u>\$ 210,641,035</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, 2022**

**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 \$39.2 million of bonds.
- The net addition of \$47.9 million in capital assets through new construction, school improvements, and purchases of vehicles, furniture and equipment.
- The issuance of \$43.3 million in school improvement bonds and \$6.0 million in associated premium.
- The issuance of \$33.6 million in refunding bonds and \$6.4 million in associated premium to defease \$38.9 million of bonds.

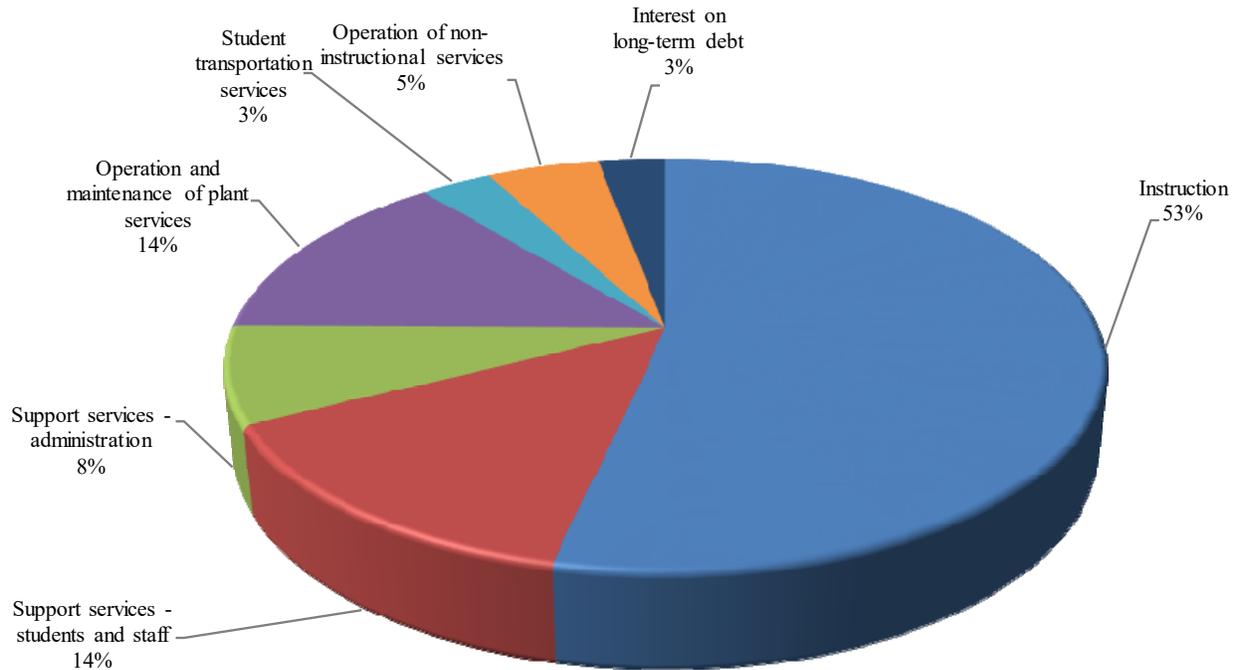
**Changes in net position.** The District's total revenues for the current fiscal year were \$395.4 million. The total cost of all programs and services was \$382.8 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2022 and June 30, 2021.

	Fiscal Year Ended June 30, 2022	Fiscal Year Ended June 30, 2021
<b>Revenues:</b>		
Program revenues:		
Charges for services	\$ 16,785,815	\$ 6,969,646
Operating grants and contributions	53,517,324	50,156,409
Capital grants and contributions	7,076,028	2,065,392
General revenues:		
Property taxes	208,040,274	195,054,854
Investment income	1,341,133	2,030,341
Unrestricted county aid	4,587,214	4,455,826
Unrestricted state aid	100,539,618	86,121,355
Unrestricted federal aid	3,506,188	2,519,029
<b>Total revenues</b>	<b>395,393,594</b>	<b>349,372,852</b>
<b>Expenses:</b>		
Instruction	204,809,731	193,487,003
Support services - students and staff	54,279,254	46,489,691
Support services - administration	28,887,092	28,891,955
Operation and maintenance of plant services	52,968,482	51,171,090
Student transportation services	12,014,638	9,437,806
Operation of non-instructional services	18,877,341	12,986,101
Interest on long-term debt	10,986,349	11,860,675
<b>Total expenses</b>	<b>382,822,887</b>	<b>354,324,321</b>
<b>Changes in net position</b>	<b>12,570,707</b>	<b>(4,951,469)</b>
<b>Net position, beginning</b>	<b>210,641,035</b>	<b>215,592,504</b>
<b>Net position, ending</b>	<b>\$ 223,211,742</b>	<b>\$ 210,641,035</b>

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2022**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Expenses - Fiscal Year 2022**



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

- Unrestricted state aid revenues increased \$14.4 million due to increases in the state per-pupil funding amounts for both equalization and classroom site funds.
- Property taxes revenue increased \$13.0 million due to increases in assessed valuations.
- Instructional expenses increased \$11.2 million due to compensation increases provided to teachers and other instructional 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, 2022**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

	Year Ended June 30, 2022		Year Ended June 30, 2021	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 204,809,731	\$(178,383,456)	\$ 193,487,003	\$(158,928,068)
Support services - students and staff	54,279,254	(45,108,190)	46,489,691	(41,556,636)
Support services - administration	28,887,092	(27,743,712)	28,891,955	(26,983,522)
Operation and maintenance of plant services	52,968,482	(38,395,586)	51,171,090	(44,946,960)
Student transportation services	12,014,638	(11,793,370)	9,437,806	(9,346,545)
Operation of non-instructional services	18,877,341	5,741,450	12,986,101	(2,733,813)
Interest on long-term debt	10,986,349	(9,760,856)	11,860,675	(10,637,330)
<b>Total</b>	<b>\$ 382,822,887</b>	<b>\$(305,443,720)</b>	<b>\$ 354,324,321</b>	<b>\$(295,132,874)</b>

- The cost of all governmental activities this year was \$382.8 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$77.4 million.
- Net cost of governmental activities of \$305.4 million was financed by general revenues, which are made up of primarily property taxes of \$208.0 million and state and county aid of \$105.1 million. Investment earnings accounted for \$1.3 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 \$228.6 million, an increase of \$16.9 million due primarily to COVID-19 relief funding from the federal government.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2022**

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

The General Fund is the principal operating fund of the District. The General Fund comprises 40 percent of the total fund balance. Approximately \$84.8 million, or 94 percent of the General Fund's fund balance is unassigned. The increase in fund balance of \$3.7 million in the General Fund to \$90.6 million as of fiscal year end was a result of a planned budgetary surplus.

General Fund revenues increased \$9.6 million primarily due to increases in the per-pupil state funding amounts. General Fund expenditures increased \$14.4 million primarily as a result of recapturing salaries previously supported by other funds.

Revenues within the Other Federal Projects Fund of \$27.7 million exceeded expenditures and transfers out of \$17.9 million leading to an increase in fund balance of \$9.8 million. Outstanding grant reimbursements will relieve the remaining deficit during fiscal year 2022-23.

The fund balance in the Debt Service Fund was \$17.6 million as of fiscal year end. The decrease in fund balance of \$5.1 million during the year was due to the District utilizing previously levied property taxes for current year debt payments.

The fund balance in the Bond Building Fund was \$80.8 million as of fiscal year end. The decrease in fund balance of \$7.1 during the year was primarily due to construction and renovation project expenditures.

**Proprietary funds.** Unrestricted net position of the Internal Service Fund at the end of the fiscal year amounted to \$2.7 million. The decrease of \$901,186 from the prior fiscal year was primarily due to the District utilizing net position for benefit payments.

**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 \$21.1 million decrease, an eight percent decrease, due to actual enrollment and budget balance carryforwards falling short of expectations used during the budget adoption process.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69  
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2022**

**BUDGETARY HIGHLIGHTS**

A schedule showing the original and final budget amounts compared to the District’s actual financial activity for the General Fund is provided in this report as required supplementary information. The significant expenditure variances are summarized as follows:

- The unfavorable variance of \$2.4 million in instruction was the result of additional year-end medical prepaid not accounted for in the final budget.
- The favorable variance of \$14.8 million in operation and maintenance of plant services was the result of year-end adjustments to cover utility and custodial costs with alternate, allowable funding including ESSER, Medicaid, and Indirect Costs.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** At year end, the District had invested \$1.1 billion 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 \$47.9 million from the prior fiscal year primarily due to the completion of a new elementary school and the rebuilding of another elementary school . Total depreciation expense for the current year was \$32.4 million.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2022 and June 30, 2021.

	As of June 30, 2022	As of June 30, 2021
Capital assets - non-depreciable	\$ 71,724,552	\$ 73,586,025
Capital assets - depreciable, net	517,775,517	498,008,840
Total	\$ 589,500,069	\$ 571,594,865

The estimated cost to complete current construction projects is \$11.4 million.

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2022**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Debt Administration.** At year-end, the District had \$422.2 million in long-term debt outstanding, \$40.3 million due within one year. Long-term debt increased by \$6.6 million due to the issuance of \$43.3 million of school improvement bonds, \$33.6 million of refunding bonds and the associated premium of \$12.4 million exceeding debt repayments and defeasance.

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 \$1.6 billion and the Class B debt limit is \$1.1 billion, 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.

**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 2022-23 budget. Among them:

- Fiscal year 2021-22 budget balance carry forward (estimated \$15 million).
- District student population (estimated 27,382).

Also considered in the development of the budget is the state economy and COVID-19 mitigation and response expenditures. Costs for additional cleaning and sanitation have been included along with additional curriculum purchases and support to combat learning loss.

Budgeted expenditures in the General Fund increased nine percent to \$263.2 million in fiscal year 2022-23 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 2022-23 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**

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**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

	Governmental Activities
<b><u>ASSETS</u></b>	
Current assets:	
Cash and investments	\$ 252,369,327
Property taxes receivable	2,969,516
Deposits	304,641
Due from governmental entities	43,224,311
Inventory	2,100,878
Leases receivable	2,085,250
Total current assets	303,053,923
Noncurrent assets:	
Cash and investments - restricted	15,023,295
Capital assets not being depreciated	71,724,552
Capital assets, net of accumulated depreciation	517,775,517
Total noncurrent assets	604,523,364
<b>Total assets</b>	<b>907,577,287</b>
 <b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>	
Pension and other postemployment benefit plan items	54,006,295
 <b><u>LIABILITIES</u></b>	
Current liabilities:	
Accounts payable	17,562,472
Accrued payroll and employee benefits	1,467,629
Compensated absences payable	1,700,000
Accrued interest payable	7,500,185
Unearned revenues	370,170
Bonds payable	40,340,000
Total current liabilities	68,940,456
Noncurrent liabilities:	
Non-current portion of long-term obligations	602,520,376
Total noncurrent liabilities	602,520,376
<b>Total liabilities</b>	<b>671,460,832</b>
 <b><u>DEFERRED INFLOWS OF RESOURCES</u></b>	
Pension and other postemployment benefit plan items	64,854,485
Leases	2,056,523
<b>Total deferred inflows of resources</b>	<b>66,911,008</b>
 <b><u>NET POSITION</u></b>	
Net investment in capital assets	248,076,152
Restricted for:	
Instruction	17,928,691
Food service	5,531,268
Non-instructional purposes	3,554,790
Debt service	17,733,469
Capital outlay	17,141,755
Unrestricted	(86,754,383)
<b>Total net position</b>	<b>\$ 223,211,742</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, 2022**

<b>Functions/Programs</b>	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Governmental activities:</b>					
Instruction	\$ 204,809,731	\$ 5,948,746	\$ 19,760,175	\$ 717,354	\$ (178,383,456)
Support services - students and staff	54,279,254		9,171,064		(45,108,190)
Support services - administration	28,887,092		1,143,380		(27,743,712)
Operation and maintenance of plant services	52,968,482	1,213,032	7,001,190	6,358,674	(38,395,586)
Student transportation services	12,014,638		221,268		(11,793,370)
Operation of non-instructional services	18,877,341	9,624,037	14,994,754		5,741,450
Interest on long-term debt	10,986,349		1,225,493		(9,760,856)
<b>Total governmental activities</b>	<u>\$ 382,822,887</u>	<u>\$ 16,785,815</u>	<u>\$ 53,517,324</u>	<u>\$ 7,076,028</u>	<u>(305,443,720)</u>

**General revenues:**

Taxes:

Property taxes, levied for general purposes	148,066,669
Property taxes, levied for debt service	47,644,056
Property taxes, levied for capital outlay	12,329,549
Investment income	1,341,133
Unrestricted county aid	4,587,214
Unrestricted state aid	100,539,618
Unrestricted federal aid	3,506,188
<b>Total general revenues</b>	<u>318,014,427</u>

<b>Changes in net position</b>	12,570,707
<b>Net position, beginning of year</b>	<u>210,641,035</u>
<b>Net position, end of year</b>	<u>\$ 223,211,742</u>

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

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**FUND FINANCIAL STATEMENTS**

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**

	General	Other Federal Projects	Debt Service
<b><u>ASSETS</u></b>			
Cash and investments	\$ 49,822,888	\$	\$ 49,273,534
Cash and investments - restricted			15,023,295
Property taxes receivable	2,218,099		661,900
Deposits			
Due from governmental entities	19,767,586	15,171,321	614,925
Due from other funds	20,096,692		
Inventory	2,007,326		
Leases receivable	2,085,250		
<b>Total assets</b>	<b>\$ 95,997,841</b>	<b>\$ 15,171,321</b>	<b>\$ 65,573,654</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 1,970,224	\$ 75,273	\$
Due to other funds		15,037,162	
Accrued payroll and employee benefits	920,422	54,940	
Unearned revenues			
Bonds payable			40,340,000
Bond interest payable			7,500,185
<b>Total liabilities</b>	<b>2,890,646</b>	<b>15,167,375</b>	<b>47,840,185</b>
Deferred inflows of resources:			
Unavailable revenues - property taxes	459,254		93,103
Unavailable revenues - intergovernmental		2,669,467	
Leases	2,056,523		
<b>Total deferred inflows of resources</b>	<b>2,515,777</b>	<b>2,669,467</b>	<b>93,103</b>
Fund balances (deficits):			
Nonspendable	2,007,326		
Restricted		3,946	17,640,366
Assigned	3,753,433		
Unassigned	84,830,659	(2,669,467)	
<b>Total fund balances</b>	<b>90,591,418</b>	<b>(2,665,521)</b>	<b>17,640,366</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <b>\$ 95,997,841</b>	 <b>\$ 15,171,321</b>	 <b>\$ 65,573,654</b>

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

<u>Bond Building</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 93,232,525	\$ 45,010,515	\$ 237,339,462
		15,023,295
	89,517	2,969,516
	304,641	304,641
	7,670,479	43,224,311
		20,096,692
	93,552	2,100,878
		2,085,250
<u>\$ 93,232,525</u>	<u>\$ 53,168,704</u>	<u>\$ 323,144,045</u>
\$ 12,422,796	\$ 3,094,179	\$ 17,562,472
	5,059,530	20,096,692
	492,267	1,467,629
	370,170	370,170
		40,340,000
		7,500,185
<u>12,422,796</u>	<u>9,016,146</u>	<u>87,337,148</u>
	18,698	571,055
	1,904,950	4,574,417
		2,056,523
	<u>1,923,648</u>	<u>7,201,995</u>
	93,552	2,100,878
80,809,729	44,040,308	142,494,349
		3,753,433
	(1,904,950)	80,256,242
<u>80,809,729</u>	<u>42,228,910</u>	<u>228,604,902</u>
<u>\$ 93,232,525</u>	<u>\$ 53,168,704</u>	<u>\$ 323,144,045</u>

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**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

<b>Total governmental fund balances</b>		<b>\$ 228,604,902</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	\$ 1,076,044,144	
Less accumulated depreciation	<u>(486,544,075)</u>	589,500,069
<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	571,055	
Intergovernmental	<u>4,574,417</u>	5,145,472
<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	53,278,076	
Deferred inflows of resources related to pensions	<u>(64,038,896)</u>	(10,760,820)
<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>		
		2,690,332
<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	(7,954,033)	
Net pension liability	(202,120,534)	
Bonds payable	<u>(381,893,646)</u>	<u>(591,968,213)</u>
<b>Net position of governmental activities</b>		<b><u><u>\$ 223,211,742</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, 2022**

	General	Other Federal Projects	Debt Service
<b>Revenues:</b>			
Other local	\$ 7,063,244	\$	\$ (307,571)
Property taxes	148,339,707		47,773,898
State aid and grants	73,967,128		
Federal aid, grants and reimbursements	3,506,188	27,684,715	1,225,493
<b>Total revenues</b>	<b>232,876,267</b>	<b>27,684,715</b>	<b>48,691,820</b>
<b>Expenditures:</b>			
Current -			
Instruction	126,872,221	9,491,110	
Support services - students and staff	40,708,139	2,027,517	
Support services - administration	23,337,443	606,905	
Operation and maintenance of plant services	27,843,602	4,481,593	
Student transportation services	9,560,512	146,338	
Operation of non-instructional services	625,074	237,530	
Capital outlay	232,870	64,106	
Debt service -			
Principal retirement			40,340,000
Interest and fiscal charges			14,860,848
Bond issuance costs			324,738
<b>Total expenditures</b>	<b>229,179,861</b>	<b>17,055,099</b>	<b>55,525,586</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>3,696,406</b>	<b>10,629,616</b>	<b>(6,833,766)</b>
<b>Other financing sources (uses):</b>			
Transfers in	3,175,906		1,374,642
Transfers out		(877,355)	
Issuance of school improvement bonds			
Issuance of refunding bonds			33,555,000
Premium on sale of bonds			6,351,475
Payment to refunded bond escrow agent			(39,581,737)
Proceeds from sale of capital assets	138,792		
<b>Total other financing sources (uses)</b>	<b>3,314,698</b>	<b>(877,355)</b>	<b>1,699,380</b>
<b>Changes in fund balances</b>	<b>7,011,104</b>	<b>9,752,261</b>	<b>(5,134,386)</b>
<b>Fund balances (deficits), beginning of year</b>	<b>86,863,232</b>	<b>(12,417,782)</b>	<b>22,774,752</b>
Increase (decrease) in reserve for prepaid items	(3,525,000)		
Increase (decrease) in reserve for inventory	242,082		
<b>Fund balances (deficits), end of year</b>	<b>\$ 90,591,418</b>	<b>\$ (2,665,521)</b>	<b>\$ 17,640,366</b>

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

<u>Bond Building</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 992,606	\$ 16,620,336	\$ 24,368,615
	12,344,613	208,458,218
	37,814,797	111,781,925
	30,510,027	62,926,423
<u>992,606</u>	<u>97,289,773</u>	<u>407,535,181</u>
	33,384,026	169,747,357
	7,749,048	50,484,704
	794,010	24,738,358
	3,454,212	35,779,407
	200,979	9,907,829
	16,313,094	17,175,698
55,828,623	17,456,880	73,582,479
		40,340,000
		14,860,848
203,226		527,964
<u>56,031,849</u>	<u>79,352,249</u>	<u>437,144,644</u>
<u>(55,039,243)</u>	<u>17,937,524</u>	<u>(29,609,463)</u>
(1,374,642)	(2,298,551)	4,550,548
43,300,000		(4,550,548)
		43,300,000
		33,555,000
6,043,980		12,395,455
		(39,581,737)
		138,792
<u>47,969,338</u>	<u>(2,298,551)</u>	<u>49,807,510</u>
<u>(7,069,905)</u>	<u>15,638,973</u>	<u>20,198,047</u>
87,879,634	26,585,447	211,685,283
		(3,525,000)
	4,490	246,572
<u>\$ 80,809,729</u>	<u>\$ 42,228,910</u>	<u>\$ 228,604,902</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, 2022**

**Changes in fund balances - total governmental funds** **\$ 20,198,047**

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	\$ 50,454,647	
Less current year depreciation	<u>(32,384,914)</u>	18,069,733

Issuance of long-term debt provides current financial resources to governmental funds, but the issuance increases long-term liabilities in the Statement of Net Position.

Issuance of school improvement bonds	(49,343,980)	
Refunding bond transaction	<u>127,042</u>	(49,216,938)

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

Property taxes	(417,944)	
Intergovernmental	<u>(11,988,150)</u>	(12,406,094)

Repayments of bond principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 40,340,000

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	22,223,204	
Pension expense	<u>(24,041,946)</u>	(1,818,742)

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	(3,525,000)	
Inventory	246,572	
Loss on disposal of assets	(164,529)	
Amortization of deferred bond items	3,422,719	
Compensated absences	<u>(1,673,875)</u>	(1,694,113)

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. (901,186)

**Changes in net position in governmental activities** **\$ 12,570,707**

**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 FUND**  
**JUNE 30, 2022**

	Governmental Activities: Internal Service Fund
<b><u>ASSETS</u></b>	
Current assets:	
Cash and investments	\$ 15,029,865
Total current assets	<u>15,029,865</u>
<b>Total assets</b>	<u><u>15,029,865</u></u>
 <b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>	
Other postemployment benefit plan items	<u>728,219</u>
 <b><u>LIABILITIES</u></b>	
Noncurrent liabilities:	
Total OPEB liability	<u>12,252,163</u>
Total noncurrent liabilities	<u>12,252,163</u>
<b>Total liabilities</b>	<u><u>12,252,163</u></u>
 <b><u>DEFERRED INFLOWS OF RESOURCES</u></b>	
Other postemployment benefit plan items	<u>815,589</u>
 <b><u>NET POSITION</u></b>	
Unrestricted	<u>2,690,332</u>
<b>Total net position</b>	<u><u>\$ 2,690,332</u></u>

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 FUND**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	Governmental Activities: Internal Service Fund
<b>Operating expenses:</b>	
Benefits	\$ 1,026,901
<b>Total operating expenses</b>	<b>1,026,901</b>
<b>Operating income (loss)</b>	<b>(1,026,901)</b>
<b>Nonoperating revenues (expenses):</b>	
Investment income	125,715
<b>Total nonoperating revenues (expenses)</b>	<b>125,715</b>
<b>Changes in net position</b>	<b>(901,186)</b>
<b>Total net position, beginning of year</b>	3,591,518
<b>Total net position, end of year</b>	<b>\$ 2,690,332</b>

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 FUND  
YEAR ENDED JUNE 30, 2022**

	<b><u>Governmental Activities: Internal Service Fund</u></b>
<b><u>Increase/Decrease in Cash and Cash Equivalents</u></b>	
<b>Cash flows from operating activities:</b>	
Cash payments for benefits	(1,063,725)
<b>Net cash provided by/used for operating activities</b>	<b>(1,063,725)</b>
 <b>Cash flows from investing activities:</b>	
Investment income	125,715
<b>Net cash provided by/used for investing activities</b>	<b>125,715</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>(938,010)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>15,967,875</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 15,029,865</b>
 <b><u>Reconciliation of Operating Income/Loss to Net Cash Provided by/Used for Operating Activities</u></b>	
<b>Operating income/loss</b>	<b>\$ (1,026,901)</b>
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	(36,824)
<b>Total adjustments</b>	<b>(36,824)</b>
<b>Net cash provided by/used for operating activities</b>	<b>\$ (1,063,725)</b>

**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, 2022**

**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, 2022, the District implemented the provisions of GASB Statement No. 87, *Leases*. This Statement increases the usefulness of the financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases. The statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. Beginning balances of leases receivable and deferred inflows of resources for leases were each restated by \$2,318,959, resulting in no effect to beginning balances reported in the financial statements due to the implementation of this standard.

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.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

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.

**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.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**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.

**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.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

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.

Other Federal Projects Fund – The Other Federal Projects Fund accounts for financial assistance received for other supplemental federal projects, including monies from the various COVID-19 relief bills.

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 postemployment 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.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

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.

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.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

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 federal depository 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.

Certain resources set aside for the repayment of debt are classified as cash and investments – restricted on the statement of net position and balance sheet, because their use is limited by applicable bond covenants. A trust account, recorded in the Debt Service Fund, is used to segregate resources accumulated for future debt service payments.

**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, 2022**

**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; construction in progress; and intangible right-to-use assets are reported in the government-wide financial statements.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

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.

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 assets 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 assets 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.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**M. Leases**

As lessor, the District recognizes lease receivables with an initial, individual value of \$100,000 or more. If there is no stated rate in the lease contract (or if the stated rate is not the rate the District charges the lessee) and the implicit rate cannot be determined, the District uses an interest rate based on the Applicable Federal Rate as the discount rate to measure lease receivables.

**N. 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.

**O. 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.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**P. 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.

**Q. 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.

**R. Estimates**

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

**NOTE 2 – 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.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

***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, 2022**

**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	Other Federal Projects Fund	Debt Service Fund	Bond Building Fund	Non-Major Governmental Funds
Fund Balances:					
Nonspendable:					
Inventory	\$ 2,007,326	\$	\$	\$	93,552
Restricted:					
Debt service			17,640,366		
Capital projects					17,123,057
Bond building projects				80,809,729	
Voter approved initiatives					3,971,609
Federal and state projects		3,946			7,288,486
Food service					5,437,716
Civic center					2,102,930
Extracurricular activities					3,210,648
Student activities					1,839,190
Other purposes					3,066,672
Assigned:					
Capital projects	3,753,433				
Unassigned:	84,830,659	(2,669,467)			(1,904,950)
Total fund balances	\$ 90,591,418	\$ (2,665,521)	\$17,640,366	\$ 80,809,729	\$ 42,228,910

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

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

	Deficit
Major Governmental Fund:	
Other Federal Projects	\$ 2,665,521
Non-Major Governmental Funds:	
Title I Grants	593,298
Professional Development and Technology Grants	45,851
Title IV Grants	262,101
Limited English and Immigrant Students	142,821
Indian Education	7,238
Special Education Grants	716,828
Vocational Education	126,524
Homeless Education Grants	1,202
State Vocational Education	9,087

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

The deficits arose because of operations during the year and pending grant reimbursements. Additional revenues received in fiscal year 2022-23 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 4 – 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 \$1,168,706 and the bank balance was \$3,108,535. At year end, \$2,368,836 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 \$239,699 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

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.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 4 – CASH AND INVESTMENTS**

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	\$ 2,326,169	Level 2
U.S. Treasury Note	5/31/2026	1,970,594	Level 2
U.S. Treasury Bonds	5/15/2026	3,120,019	Level 2
U.S. Treasury Bonds	7/1/2026	<u>7,366,814</u>	Level 2
		14,783,596	
County Treasurer’s investment pool	623 days	<u>251,440,320</u>	Not Applicable
Total		<u><u>\$266,223,916</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, 2022**

**NOTE 5 – 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	Other Federal Projects Fund	Debt Service Fund	Non-Major Governmental Funds
Due from other governmental entities:				
Due from federal government	\$ 261,654	\$ 15,171,321	\$ 614,925	\$ 5,655,621
Due from state government	19,505,932			1,870,870
Due from other districts				143,988
Net due from governmental entities	<u>\$ 19,767,586</u>	<u>\$ 15,171,321</u>	<u>\$ 614,925</u>	<u>\$ 7,670,479</u>

**NOTE 6 – LEASES RECEIVABLE**

The District has granted easements for cell towers under the provisions of contracts classified as leases. The related receivables under the lease agreements have been recorded at the present value of their future minimum lease payments as of the inception date. Lease revenue of \$233,709 and related interest revenue of \$4,893 are recorded as other local revenue in the General Fund.

Future minimum lease payments to be received under the lease agreements at year end are summarized as follows:

Year ending June 30:	
2023	\$ 243,962
2024	250,156
2025	258,873
2026	265,806
2027	248,647
2028-32	705,111
2033-37	112,994
2038-40	24,237
Total	<u>\$ 2,109,787</u>

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**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	\$ 33,344,647	\$ 39,161	\$	\$ 33,383,808
Construction in progress	40,241,378	41,006,669	42,907,303	38,340,744
Total capital assets, not being depreciated	<u>73,586,025</u>	<u>41,045,830</u>	<u>42,907,303</u>	<u>71,724,552</u>
Capital assets, being depreciated:				
Land improvements	65,607,836	10,164,450		75,772,286
Buildings and improvements	833,668,609	40,723,414	108,989	874,283,034
Vehicles, furniture and equipment	55,292,642	1,428,256	2,456,626	54,264,272
Total capital assets being depreciated	<u>954,569,087</u>	<u>52,316,120</u>	<u>2,565,615</u>	<u>1,004,319,592</u>
Less accumulated depreciation for:				
Land improvements	(31,054,571)	(3,258,863)		(34,313,434)
Buildings and improvements	(386,149,026)	(25,689,337)	(31,672)	(411,806,691)
Vehicles, furniture and equipment	(39,356,650)	(3,436,714)	(2,369,414)	(40,423,950)
Total accumulated depreciation	<u>(456,560,247)</u>	<u>(32,384,914)</u>	<u>(2,401,086)</u>	<u>(486,544,075)</u>
Total capital assets, being depreciated, net	<u>498,008,840</u>	<u>19,931,206</u>	<u>164,529</u>	<u>517,775,517</u>
Governmental activities capital assets, net	<u>\$ 571,594,865</u>	<u>\$ 60,977,036</u>	<u>\$43,071,832</u>	<u>\$ 589,500,069</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$12,820,235
Support services – students and staff	1,770,716
Support services – administration	1,378,700
Operation and maintenance of plant services	14,231,755
Student transportation services	1,831,155
Operation of non-instructional services	352,353
Total depreciation expense – governmental activities	<u>\$32,384,914</u>

**Construction Commitments** – At year end, the District had contractual commitments related to renovations, upgrades, and roof replacements at various existing District schools. At year end the District had spent \$38.3 million on the projects and had estimated remaining contractual commitments of \$11.4 million. These projects are being funded with bond proceeds and through the Building Renewal Grant program.

**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 million in unused line of credit.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**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, \$91.0 million remains unissued. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt. The District’s legal debt limit is \$1.6 billion and the available margin is \$1.2 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 \$15,023,295 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, 2022	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%	7/1/22-31	2,610,000	2,610,000
School Improvement Bonds Project of 2011, Series B (2013)	37,850,000	2.0-4.0%	7/1/22-31	35,000,000	2,950,000
School Improvement Bonds Project of 2011, Series D (2014)	50,000,000	4.0-4.5%	7/1/22-31	31,850,000	1,775,000
School Improvement Bond Project of 2015, Series A (2016)	36,700,000	2.0-3.0%	7/1/22-25	14,900,000	3,200,000
School Improvement Bonds, Project of 2015, Series B (2017)	33,870,000	5.0%	7/1/22-26	17,725,000	2,950,000
School Improvement Bonds, Project of 2015, Series C (2018)	49,885,000	5.0%	7/1/22-27	31,625,000	6,250,000
School Improvement Bonds, Project of 2015, Series D (2018)	53,310,000	5.0%	7/1/22-28	37,350,000	7,500,000
School Improvement Bonds, Project of 2015 and 2019, Series 2020	50,075,000	4.0-5.0%	7/1/22-25 and 7/1/32-39	38,260,000	2,600,000
School Improvement Bonds, Projects of 2015 and 2019, Second Series 2020	49,565,000	3.0-5.0%	7/1/22-26 and 7/1/32-40	49,565,000	10,190,000
School Improvement Bonds, Project of 2015, Series E (2021)	20,195,000	3.0-5.0%	7/1/23 and 7/1/32-40	20,195,000	
School Improvement Bonds, Project of 2019, Series C (2022)	43,300,000	4.0-5.0%	7/1/23-27 and 7/1/32-41	43,300,000	
Refunding Bonds, Series 2022	33,555,000	3.0-5.0%	7/1/22-31	33,555,000	315,000
Total				<u>\$ 379,960,000</u>	<u>\$ 40,340,000</u>

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**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:	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 40,340,000	\$ 14,026,685
2024	41,150,000	14,189,075
2025	29,080,000	12,609,763
2026	30,370,000	11,299,451
2027	52,605,000	9,203,638
2028-32	85,655,000	27,424,377
2033-37	44,650,000	15,200,650
2038-42	<u>56,110,000</u>	<u>5,391,200</u>
Total	<u>\$ 379,960,000</u>	<u>\$ 109,344,839</u>

**Refunding Bonds** - During the year ended June 30, 2022, the District issued \$33,555,000 in refunding bonds, with an effective interest rate of 4.98 percent, to current refund \$38,880,000 of outstanding general obligation bonds, with an average interest rate of 3.67 percent. The net proceeds of \$39,581,737, which includes \$6,351,475 of bond premium, (after payment of \$324,738 in underwriting fees, insurance, and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent, to provide for the payment of the refunded general obligation bonds on July 1, 2022. As a result, the refunded general obligation bonds are considered to be defeased, and the liability for those bonds has been removed from the government-wide financial statements. This current refunding was undertaken to reduce total debt service payments over the next nine years by \$4,229,747 and resulted in an economic gain of \$3,808,519.

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

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$ 381,220,000	\$ 76,855,000	\$ 78,115,000	\$ 379,960,000	\$ 40,340,000
Premium	34,454,427	12,395,455	4,576,236	42,273,646	
Total bonds payable	<u>415,674,427</u>	<u>89,250,455</u>	<u>82,691,236</u>	<u>422,233,646</u>	<u>40,340,000</u>
Total OPEB liability	13,480,934		1,228,771	12,252,163	
Net pension liability	264,539,575		62,419,041	202,120,534	
Compensated absences payable	<u>6,280,158</u>	<u>3,277,805</u>	<u>1,603,930</u>	<u>7,954,033</u>	<u>1,700,000</u>
Governmental activity long-term liabilities	<u>\$ 699,975,094</u>	<u>\$ 92,528,260</u>	<u>\$ 147,942,978</u>	<u>\$ 644,560,376</u>	<u>\$ 42,040,000</u>

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

At year end, interfund balances were as follows.

**Due to/from other funds** – At year end, the Other Federal Projects Fund and several non-major governmental funds had negative cash balances in the Treasurer’s pooled cash accounts of \$15,037,162 and \$5,059,530, respectively. 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 out	Transfers in		Total
	General Fund	Debt Service Fund	
Other Federal Projects Fund	\$ 877,355	\$	\$ 877,355
Bond Building Fund		1,374,642	1,374,642
Non-Major Governmental Funds	2,298,551		2,298,551
<b>Total</b>	<b>\$ 3,175,906</b>	<b>\$ 1,374,642</b>	<b>\$ 4,550,548</b>

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.

**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**  
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**NOTE 13 – RISK MANAGEMENT**

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

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.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**Aggregate Amounts.** At June 30, 2022, the District reported the following aggregate amounts related to pensions and OPEB for all plans to which it contributes:

	Pension	OPEB	Total
Net liability	\$ 202,120,534	\$ 12,252,163	\$ 214,372,697
Deferred outflows of resources	53,278,076	728,219	54,006,295
Deferred inflows of resources	64,038,896	815,589	64,854,485
Expense	24,041,946	1,026,601	25,068,547
Contributions	22,223,204	1,063,725	23,286,929

**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).

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
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**NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT 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.

**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 12.41 percent (12.22 percent for retirement and 0.19 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 12.41 percent (12.01 percent for retirement, 0.21 percent for health insurance premium benefit, and 0.19 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, 2022 were \$22,223,204.

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 10.22 percent (10.13 for retirement and 0.09 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, 2021. 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, 2020, to the measurement date of June 30, 2021. 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, 2021. The total liabilities as of June 30, 2021, reflect changes in actuarial assumptions based on the results of an actuarial experience study for the 5-year period ended June 30, 2020, including decreasing the discount rate from 7.5 percent to 7.0 percent and changing the projected salary increases from 2.7-7.2 percent to 2.9-8.4 percent.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

At June 30, 2022, the District reported the following amounts for its proportionate share of the pension plan net liability. In addition, at June 30, 2021, the District’s percentage proportion for the plan and the related change from its proportion measured as of June 30, 2020 was:

Net Liability	District % Proportion	Increase (Decrease)
\$ 202,120,534	1.538	0.011

**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, 2022 was \$24,041,946.

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	\$ 3,081,141	\$
Changes of assumptions or other inputs	26,307,603	
Net difference between projected and actual earnings on pension investments		64,038,896
Changes in proportion and differences between contributions and proportionate share of contributions	1,666,128	
Contributions subsequent to the measurement date	22,223,204	
Total	\$ 53,278,076	\$ 64,038,896

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, 2023. 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:		
2023	\$	1,932,209
2024		1,269,347
2025		(14,117,296)
2026		(22,068,284)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 14 – 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, 2020
Actuarial roll forward date	June 30, 2021
Actuarial cost method	Entry age normal
Investment rate of return	7.0-%
Inflation	2.3%
Projected salary increases	2.9-8.4%
Permanent base increases	Included
Mortality rates	2017 SRA Scale U-MP

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2020. 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, 2020, actuarial valuation.

The long-term expected rate of return on ASRS plan investments was determined to be 7.0 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.

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%	4.90%
Credit	20	5.20
Interest rate sensitive bonds	10	0.70
Real estate	20	5.70
Total	<u>100%</u>	

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**Discount Rate.** The discount rate used to measure the total pension liability was 7.0 percent. The discount rate was lowered in the roll forward for the year June 30, 2021 from 7.5 percent, which was used for the actuarial assumptions at the valuation date. 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 7.0 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	6.0%	7.0%	8.0%
Net liability	\$ 317,918,671	\$ 202,120,534	\$ 105,576,928

**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, 2022**

**NOTE 14 – 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 \$1,063,725 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	248
Active employees	1,578
Total	<hr style="border: 0.5px solid black;"/> <u>1,826</u>

The District’s total OPEB liability of \$12,252,163 was measured as of June 30, 2022. The total liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of July 1, 2020, to the measurement date of June 30, 2022.

**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.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

The total OPEB liability in the July 1, 2020 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, 2022
Actuarial valuation date	July 1, 2020
Inflation rate	2.75%
Projected salary increases	3.0%
Health care cost trend rate:	
Medical and Prescription Drug	5.00% for 2021-2023, 5.20% for 2024-2069, and 4.00% for 2070 and later
Retiree contribution increase	Frozen
ASRS subsidy increases	Level
Cost of living adjustments	N/A

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 3.69 percent, which was an increase of 1.77 percent from the discount rate used as of June 30, 2021.

Pre-retirement mortality rates were based on the RP-2014 Employee Mortality Table, fully generational. Post-retirement mortality rates were based on the RP-2014 Health Annuitant Mortality Table, fully generational.

**Changes in the Total OPEB Liability**

Total OPEB Liability – beginning of year	\$ 13,480,934
Changes for the year:	
Service cost	604,887
Interest	260,285
Changes in assumptions or other inputs	(1,030,218)
Benefit payments	(1,063,725)
Net changes	<u>(1,228,771)</u>
Total OPEB Liability – end of year	<u><u>\$ 12,252,163</u></u>

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**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	Current Discount Rate	1% Increase
Rate	2.69%	3.69%	4.69%
Total OPEB liability	\$ 12,827,451	\$ 12,252,163	\$ 11,698,682

**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:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Rates	2.5% to 4.0%	3.5% to 5.0%	4.5% to 6.0%
Total OPEB liability	\$ 12,236,276	\$ 12,252,163	\$ 12,268,894

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.** For the year ended June 30, 2022, the District recognized OPEB expense of \$1,026,601. At June 30, 2022, the District reported the following deferred outflows of resources and deferred inflows of resources related to OPEB.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 288,978	\$
Changes of assumptions or other inputs	439,241	815,589
Total	\$ 728,219	\$ 815,589

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

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

Year Ending June 30:		
2023	\$	161,729
2024		2,112
2025		(91,089)
2026		(160,122)

**NOTE 15 – SUBSEQUENT EVENT**

During December 2022, the District issued School Improvement Bonds Project of 2019, Series D in the principal amount of \$86.6 million and \$7.1 million of associated premium that mature between July 1, 2024 through July 1, 2042 carrying an average interest rate of five percent. The purposes of the bonds are to (i) construct, repair and renovate school buildings; (ii) purchase instructional technology, school furniture and fine arts equipment; (iii) purchase pupil transportation vehicles; and (iv) pay costs incurred in connection with the issuance of the bonds.

**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, 2022**

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Other local	\$	\$	\$ 4,361,521	\$ 4,361,521
Property taxes			148,339,707	148,339,707
State aid and grants			73,967,128	73,967,128
<b>Total revenues</b>			<u>226,668,356</u>	<u>226,668,356</u>
<b>Expenditures:</b>				
Current -				
Instruction	150,660,098	133,621,239	136,023,921	(2,402,682)
Support services - students and staff	42,757,528	41,601,585	40,147,034	1,454,551
Support services - administration	24,521,451	22,643,866	22,578,533	65,333
Operation and maintenance of plant services	35,012,286	34,235,779	19,455,991	14,779,788
Student transportation services	9,923,698	9,945,850	9,388,331	557,519
Operation of non-instructional services	676,691	389,356	482,876	(93,520)
<b>Total expenditures</b>	<u>263,551,752</u>	<u>242,437,675</u>	<u>228,076,686</u>	<u>14,360,989</u>
<b>Changes in fund balances</b>	<u>(263,551,752)</u>	<u>(242,437,675)</u>	<u>(1,408,330)</u>	<u>241,029,345</u>
<b>Fund balances, beginning of year</b>			44,263,405	44,263,405
Increase (decrease) in reserve for prepaid items			27,975,000	27,975,000
Increase (decrease) in reserve for inventory			165,097	165,097
<b>Fund balances (deficits), end of year</b>	<u>\$ (263,551,752)</u>	<u>\$ (242,437,675)</u>	<u>\$ 70,995,172</u>	<u>\$ 313,432,847</u>

See accompanying notes to this schedule.

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**OTHER FEDERAL PROJECTS**  
**YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	<u>Original &amp; Final</u>	<u>Actual</u>	
<b>Revenues:</b>			
Federal aid, grants and reimbursements	\$	\$ 27,684,715	\$ 27,684,715
<b>Total revenues</b>		<u>27,684,715</u>	<u>27,684,715</u>
<b>Expenditures:</b>			
Current -			
Instruction	60,077,712	9,491,110	50,586,602
Support services - students and staff		2,027,517	(2,027,517)
Support services - administration		606,905	(606,905)
Operation and maintenance of plant services		4,481,593	(4,481,593)
Student transportation services		146,338	(146,338)
Operation of non-instructional services		237,530	(237,530)
Capital outlay		64,106	(64,106)
<b>Total expenditures</b>	<u>60,077,712</u>	<u>17,055,099</u>	<u>43,022,613</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(60,077,712)</u>	<u>10,629,616</u>	<u>70,707,328</u>
<b>Other financing sources (uses):</b>			
Transfers out		(877,355)	(877,355)
<b>Total other financing sources (uses)</b>		<u>(877,355)</u>	<u>(877,355)</u>
<b>Changes in fund balances</b>	<u>(60,077,712)</u>	<u>9,752,261</u>	<u>69,829,973</u>
<b>Fund balances (deficits), beginning of year</b>		(12,417,782)	(12,417,782)
<b>Fund balances (deficits), end of year</b>	<u>\$ (60,077,712)</u>	<u>\$ (2,665,521)</u>	<u>\$ 57,412,191</u>

See accompanying notes to this schedule.

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Measurement date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
District's proportion of the net pension (assets) liability	1.54%	1.53%	1.52%	1.42%
District's proportionate share of the net pension (assets) liability	\$ 202,120,534	\$ 264,539,575	\$ 220,512,697	\$ 198,169,729
District's covered payroll	\$ 172,786,609	\$ 165,793,249	\$ 157,843,685	\$ 141,422,431
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	116.98%	159.56%	139.70%	140.13%
Plan fiduciary net position as a percentage of the total pension liability	78.58%	69.33%	73.24%	73.40%

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarially determined contribution	\$ 22,223,204	\$ 20,129,640	\$ 18,983,327	\$ 17,646,924
Contributions in relation to the actuarially determined contribution	<u>22,223,204</u>	<u>20,129,640</u>	<u>18,983,327</u>	<u>17,646,924</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 185,039,167	\$ 172,786,609	\$ 165,793,249	\$ 157,843,685
Contributions as a percentage of covered payroll	12.01%	11.65%	11.45%	11.18%

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.

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
1.54%	1.50%	1.52%	1.54%
\$ 240,310,126	\$ 242,647,722	\$ 236,601,471	\$ 227,340,844
\$ 150,176,475	\$ 140,370,885	\$ 139,216,869	\$ 138,118,804
160.02%	172.86%	169.95%	164.60%
69.92%	67.06%	68.35%	69.49%

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 15,415,045	\$ 16,189,024	\$ 15,230,241	\$ 15,160,717
<u>15,415,045</u>	<u>16,189,024</u>	<u>15,230,241</u>	<u>15,160,717</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
\$ 141,422,431	\$ 150,176,475	\$ 140,370,885	\$ 139,216,869
10.90%	10.78%	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 FIVE FISCAL YEARS**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Measurement date	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
<b>Total OPEB liability</b>					
Service cost	\$ 604,887	\$ 543,468	\$ 482,905	\$ 452,602	\$ 372,989
Interest	260,285	327,532	404,039	452,734	450,578
Differences between expected and actual experience		241,748		644,818	
Changes of assumptions or other inputs	(1,030,218)	349,007	392,985	296,367	
Benefit payments	<u>(1,063,725)</u>	<u>(1,087,156)</u>	<u>(1,189,376)</u>	<u>(1,369,868)</u>	<u>(1,449,781)</u>
<b>Net change in total OPEB liability</b>	<u>(1,228,771)</u>	<u>374,599</u>	<u>90,553</u>	<u>476,653</u>	<u>(626,214)</u>
<b>Total OPEB liability—beginning</b>	<u>13,480,934</u>	<u>13,106,335</u>	<u>13,015,782</u>	<u>12,539,129</u>	<u>13,165,343</u>
<b>Total OPEB liability—ending</b>	<u>\$ 12,252,163</u>	<u>\$ 13,480,934</u>	<u>\$ 13,106,335</u>	<u>\$ 13,015,782</u>	<u>\$ 12,539,129</u>
<b>Covered-employee payroll</b>	\$155,964,239	\$160,299,042	\$ 131,423,661	\$136,387,093	\$ 122,868,222
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	7.86%	8.41%	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, 2022**

**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.

	Total Expenditures	Fund Balances End of Year
Statement of Revenues, Expenditures and Changes in		
Fund Balances – Governmental Funds	\$ 229,179,861	\$ 90,591,418
Activity budgeted as special revenue funds	(15,733,936)	(18,682,881)
Current-year prepaid items	31,500,000	
Prior-year prepaid items	(16,882,755)	
Employee insurance account	13,516	(913,365)
Schedule of Revenues, Expenditures and Changes in Fund		
Balances – Budget and Actual – General Fund	\$ 228,076,686	\$ 70,995,172

**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, 2020, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2020. 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, 2020, actuarial valuation. The total liabilities as of June 30, 2021, reflect changes in actuarial assumptions based on the results of an actuarial experience, including decreasing the discount rate from 7.5 percent to 7.0 percent and changing the projected salary increases from 2.7-7.2 percent to 2.9-8.4 percent. For the stand alone OPEB plan, disclosures are included in the notes to the financial statements.

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

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**GOVERNMENTAL FUNDS**

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**JUNE 30, 2022**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 26,390,538	\$ 18,619,977	\$ 45,010,515
Property taxes receivable		89,517	89,517
Deposits	304,641		304,641
Due from governmental entities	6,399,559	1,270,920	7,670,479
Inventory	93,552		93,552
<b>Total assets</b>	<b><u>\$ 33,188,290</u></b>	<b><u>\$ 19,980,414</u></b>	<b><u>\$ 53,168,704</u></b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 255,520	\$ 2,838,659	\$ 3,094,179
Due to other funds	5,059,530		5,059,530
Accrued payroll and employee benefits	492,267		492,267
Unearned revenues	370,170		370,170
<b>Total liabilities</b>	<b><u>6,177,487</u></b>	<b><u>2,838,659</u></b>	<b><u>9,016,146</u></b>
Deferred inflows of resources:			
Unavailable revenues - property taxes		18,698	18,698
Unavailable revenues - intergovernmental	1,904,950		1,904,950
<b>Total deferred inflows of resources</b>	<b><u>1,904,950</u></b>	<b><u>18,698</u></b>	<b><u>1,923,648</u></b>
Fund balances (deficits):			
Nonspendable	93,552		93,552
Restricted	26,917,251	17,123,057	44,040,308
Unassigned	(1,904,950)		(1,904,950)
<b>Total fund balances</b>	<b><u>25,105,853</u></b>	<b><u>17,123,057</u></b>	<b><u>42,228,910</u></b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <b><u>\$ 33,188,290</u></b>	 <b><u>\$ 19,980,414</u></b>	 <b><u>\$ 53,168,704</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, 2022**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b>Revenues:</b>			
Other local	\$ 15,372,967	\$ 1,247,369	\$ 16,620,336
Property taxes		12,344,613	12,344,613
State aid and grants	31,456,123	6,358,674	37,814,797
Federal aid, grants and reimbursements	30,510,027		30,510,027
<b>Total revenues</b>	<u>77,339,117</u>	<u>19,950,656</u>	<u>97,289,773</u>
<b>Expenditures:</b>			
Current -			
Instruction	33,383,951	75	33,384,026
Support services - students and staff	7,749,048		7,749,048
Support services - administration	793,794	216	794,010
Operation and maintenance of plant services	3,454,112	100	3,454,212
Student transportation services	200,979		200,979
Operation of non-instructional services	16,313,094		16,313,094
Capital outlay	1,637,056	15,819,824	17,456,880
<b>Total expenditures</b>	<u>63,532,034</u>	<u>15,820,215</u>	<u>79,352,249</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>13,807,083</u>	<u>4,130,441</u>	<u>17,937,524</u>
<b>Other financing sources (uses):</b>			
Transfers out	(2,298,551)		(2,298,551)
<b>Total other financing sources (uses)</b>	<u>(2,298,551)</u>	<u></u>	<u>(2,298,551)</u>
<b>Changes in fund balances</b>	<u>11,508,532</u>	<u>4,130,441</u>	<u>15,638,973</u>
<b>Fund balances, beginning of year</b>	13,592,831	12,992,616	26,585,447
Increase (decrease) in reserve for inventory	4,490		4,490
<b>Fund balances, end of year</b>	<u>\$ 25,105,853</u>	<u>\$ 17,123,057</u>	<u>\$ 42,228,910</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.

**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.

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

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

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

**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.

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

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

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

**Arizona Industry Credentials Incentive** - to account for incentive monies for career technical education courses or programs that provide a certification, credential, or license.

**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 - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2022**

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>Title I Grants</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 2,334,123	\$ 1,117,979	\$
Deposits			
Due from governmental entities		527,850	2,581,618
Inventory			
<b>Total assets</b>	<b>\$ 2,334,123</b>	<b>\$ 1,645,829</b>	<b>\$ 2,581,618</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$ 24,428
Due to other funds			2,470,654
Accrued payroll and employee benefits		8,343	86,536
Unearned revenues			
<b>Total liabilities</b>	<b>\$</b>	<b>8,343</b>	<b>2,581,618</b>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			593,298
Fund balances (deficits):			
Nonspendable			
Restricted	2,334,123	1,637,486	
Unassigned			(593,298)
<b>Total fund balances</b>	<b>2,334,123</b>	<b>1,637,486</b>	<b>(593,298)</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 2,334,123</b>	<b>\$ 1,645,829</b>	<b>\$ 2,581,618</b>

<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>
\$	\$	\$	\$	\$	\$
358,007	519,891	142,821	7,238	1,612,628	174,836
<u>\$ 358,007</u>	<u>\$ 519,891</u>	<u>\$ 142,821</u>	<u>\$ 7,238</u>	<u>\$ 1,612,628</u>	<u>\$ 174,836</u>
\$	\$	\$	\$	\$	\$
358,007	439,954 79,937	142,821	7,238	20,210 1,464,037 128,381	166,285 8,551
<u>358,007</u>	<u>519,891</u>	<u>142,821</u>	<u>7,238</u>	<u>1,612,628</u>	<u>174,836</u>
<u>45,851</u>	<u>262,101</u>	<u>142,821</u>	<u>7,238</u>	<u>716,828</u>	<u>126,524</u>
<u>(45,851)</u>	<u>(262,101)</u>	<u>(142,821)</u>	<u>(7,238)</u>	<u>(716,828)</u>	<u>(126,524)</u>
<u>(45,851)</u>	<u>(262,101)</u>	<u>(142,821)</u>	<u>(7,238)</u>	<u>(716,828)</u>	<u>(126,524)</u>
<u>\$ 358,007</u>	<u>\$ 519,891</u>	<u>\$ 142,821</u>	<u>\$ 7,238</u>	<u>\$ 1,612,628</u>	<u>\$ 174,836</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2022**

	<u>Homeless Education</u>	<u>E-Rate</u>	<u>State Vocational Education</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$	\$ 820,219	\$
Deposits			
Due from governmental entities	1,447	187,141	9,087
Inventory			
<b>Total assets</b>	<u>\$ 1,447</u>	<u>\$ 1,007,360</u>	<u>\$ 9,087</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds	1,447		9,087
Accrued payroll and employee benefits			
Unearned revenues			
<b>Total liabilities</b>	<u>1,447</u>		<u>9,087</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>1,202</u>		<u>9,087</u>
Fund balances (deficits):			
Nonspendable			
Restricted		1,007,360	
Unassigned	(1,202)		(9,087)
<b>Total fund balances</b>	<u>(1,202)</u>	<u>1,007,360</u>	<u>(9,087)</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 1,447</u>	<u>\$ 1,007,360</u>	<u>\$ 9,087</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>	<u>Community School</u>
\$ 230,675	\$ 5,875,449	\$ 111,989	\$ 5,449,211	\$ 2,102,930	\$ 1,724,710
		63,013	304,641		
			69,994		
			93,552		
<u>\$ 230,675</u>	<u>\$ 5,875,449</u>	<u>\$ 175,002</u>	<u>\$ 5,917,398</u>	<u>\$ 2,102,930</u>	<u>\$ 1,724,710</u>
\$	\$	\$	\$	\$	\$ 108,291
			15,960		164,559
			370,170		
			<u>386,130</u>		<u>272,850</u>
			93,552		
230,675	5,875,449	175,002	5,437,716	2,102,930	1,451,860
<u>230,675</u>	<u>5,875,449</u>	<u>175,002</u>	<u>5,531,268</u>	<u>2,102,930</u>	<u>1,451,860</u>
<u>\$ 230,675</u>	<u>\$ 5,875,449</u>	<u>\$ 175,002</u>	<u>\$ 5,917,398</u>	<u>\$ 2,102,930</u>	<u>\$ 1,724,710</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2022**

	Extracurricular Activities Fees Tax Credit	Gifts and Donations	Career and Technical Education Projects
<b><u>ASSETS</u></b>			
Cash and investments	\$ 3,286,405	\$ 953,758	\$ 55,469
Deposits			
Due from governmental entities			
Inventory			
<b>Total assets</b>	<b>\$ 3,286,405</b>	<b>\$ 953,758</b>	<b>\$ 55,469</b>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 75,757	\$	\$
Due to other funds			
Accrued payroll and employee benefits			
Unearned revenues			
<b>Total liabilities</b>	<b>75,757</b>		
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Nonspendable			
Restricted	3,210,648	953,758	55,469
Unassigned			
<b>Total fund balances</b>	<b>3,210,648</b>	<b>953,758</b>	<b>55,469</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 3,286,405</b>	<b>\$ 953,758</b>	<b>\$ 55,469</b>

<u>Textbooks</u>	<u>Career Technical Education</u>	<u>Student Activities</u>	<u>Intergovernmental Agreements</u>	<u>Totals</u>
\$ 260,953	\$ 180,591	\$ 1,866,024	\$ 20,053	\$ 26,390,538
	143,988			304,641
				6,399,559
				93,552
<u>\$ 260,953</u>	<u>\$ 324,579</u>	<u>\$ 1,866,024</u>	<u>\$ 20,053</u>	<u>\$ 33,188,290</u>
\$	\$	\$ 26,834	\$	\$ 255,520
				5,059,530
				492,267
				370,170
		<u>26,834</u>		<u>6,177,487</u>
				<u>1,904,950</u>
260,953	324,579	1,839,190	20,053	93,552
				26,917,251
				(1,904,950)
<u>260,953</u>	<u>324,579</u>	<u>1,839,190</u>	<u>20,053</u>	<u>25,105,853</u>
<u>\$ 260,953</u>	<u>\$ 324,579</u>	<u>\$ 1,866,024</u>	<u>\$ 20,053</u>	<u>\$ 33,188,290</u>

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Classroom Site	Instructional Improvement	Title I Grants
<b>Revenues:</b>			
Other local	\$ 29,261	\$ 11,557	\$
State aid and grants	24,928,490	1,644,000	
Federal aid, grants and reimbursements			6,441,308
<b>Total revenues</b>	<b>24,957,751</b>	<b>1,655,557</b>	<b>6,441,308</b>
<b>Expenditures:</b>			
Current -			
Instruction	22,185,291	659,533	2,638,906
Support services - students and staff	765,367	453,878	1,610,300
Support services - administration		19,289	253,571
Operation and maintenance of plant services			15,626
Student transportation services		3,476	8,656
Operation of non-instructional services			736,470
Capital outlay		1,069	66,881
<b>Total expenditures</b>	<b>22,950,658</b>	<b>1,137,245</b>	<b>5,330,410</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>2,007,093</b>	<b>518,312</b>	<b>1,110,898</b>
<b>Other financing sources (uses):</b>			
Transfers out			(472,445)
<b>Total other financing sources (uses)</b>			<b>(472,445)</b>
<b>Changes in fund balances</b>	<b>2,007,093</b>	<b>518,312</b>	<b>638,453</b>
<b>Fund balances (deficits), beginning of year</b>	327,030	1,119,174	(1,231,751)
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<b>\$ 2,334,123</b>	<b>\$ 1,637,486</b>	<b>\$ (593,298)</b>

<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>
\$	\$	\$	\$	\$	\$
<u>1,012,156</u>	<u>1,448,266</u>	<u>371,638</u>	<u>24,084</u>	<u>6,112,652</u>	<u>938,593</u>
<u>1,012,156</u>	<u>1,448,266</u>	<u>371,638</u>	<u>24,084</u>	<u>6,112,652</u>	<u>938,593</u>
	426,692	110,396	27,331	3,280,076	75,439
780,157	243,056	296,458	497	1,601,922	282,221
36,975	146,495	510		3,251	
	4,829			45,571	
	5,102			39,604	
<u>41,528</u>	<u>205,907</u>			<u>8,803</u>	<u>173,036</u>
<u>858,660</u>	<u>1,032,081</u>	<u>407,364</u>	<u>27,828</u>	<u>4,979,227</u>	<u>530,696</u>
<u>153,496</u>	<u>416,185</u>	<u>(35,726)</u>	<u>(3,744)</u>	<u>1,133,425</u>	<u>407,897</u>
<u>(63,705)</u>	<u>(77,889)</u>	<u>(38,488)</u>		<u>(470,155)</u>	<u>(17,144)</u>
<u>(63,705)</u>	<u>(77,889)</u>	<u>(38,488)</u>		<u>(470,155)</u>	<u>(17,144)</u>
<u>89,791</u>	<u>338,296</u>	<u>(74,214)</u>	<u>(3,744)</u>	<u>663,270</u>	<u>390,753</u>
<u>(135,642)</u>	<u>(600,397)</u>	<u>(68,607)</u>	<u>(3,494)</u>	<u>(1,380,098)</u>	<u>(517,277)</u>
<u>\$ (45,851)</u>	<u>\$ (262,101)</u>	<u>\$ (142,821)</u>	<u>\$ (7,238)</u>	<u>\$ (716,828)</u>	<u>\$ (126,524)</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	<u>Homeless Education</u>	<u>E-Rate</u>	<u>State Vocational Education</u>
<b>Revenues:</b>			
Other local	\$	\$ 8,427	\$
State aid and grants			216,772
Federal aid, grants and reimbursements	48,960	187,141	
<b>Total revenues</b>	<u>48,960</u>	<u>195,568</u>	<u>216,772</u>
<b>Expenditures:</b>			
Current -			
Instruction	4,274		77,162
Support services - students and staff	6,388		36,000
Support services - administration		17,100	3,825
Operation and maintenance of plant services		187,141	
Student transportation services			4,294
Operation of non-instructional services	12,028		
Capital outlay			100,477
<b>Total expenditures</b>	<u>22,690</u>	<u>204,241</u>	<u>221,758</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>26,270</u>	<u>(8,673)</u>	<u>(4,986)</u>
<b>Other financing sources (uses):</b>			
Transfers out	(1,112)		
<b>Total other financing sources (uses)</b>	<u>(1,112)</u>		
<b>Changes in fund balances</b>	<u>25,158</u>	<u>(8,673)</u>	<u>(4,986)</u>
<b>Fund balances (deficits), beginning of year</b>	(26,360)	1,016,033	(4,101)
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (1,202)</u>	<u>\$ 1,007,360</u>	<u>\$ (9,087)</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>	<u>Community School</u>
\$ 254,984	\$ 2,158,209	\$ 2,197,052	\$ 376,591	\$ 804,567	\$ 9,265,864
<u>254,984</u>	<u>2,158,209</u>	<u>2,197,052</u>	<u>13,925,229</u>	<u>804,567</u>	<u>9,265,864</u>
			<u>14,301,820</u>		
233,672	1,398,406	83,306		92,614	102,491
		172,164		26,977	11,410
		2,585		3,643	284,760
		1,734,462	1,101,066	173,966	20,528
					4,833
			7,828,532	156,361	7,579,703
			11,539	327,394	40,097
<u>233,672</u>	<u>1,398,406</u>	<u>1,992,517</u>	<u>8,941,137</u>	<u>780,955</u>	<u>8,043,822</u>
<u>21,312</u>	<u>759,803</u>	<u>204,535</u>	<u>5,360,683</u>	<u>23,612</u>	<u>1,222,042</u>
		(6,000)	(1,151,613)		
		(6,000)	(1,151,613)		
<u>21,312</u>	<u>759,803</u>	<u>198,535</u>	<u>4,209,070</u>	<u>23,612</u>	<u>1,222,042</u>
209,363	5,115,646	(23,533)	1,317,708	2,079,318	229,818
			4,490		
<u>\$ 230,675</u>	<u>\$ 5,875,449</u>	<u>\$ 175,002</u>	<u>\$ 5,531,268</u>	<u>\$ 2,102,930</u>	<u>\$ 1,451,860</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Extracurricular Activities Fees Tax Credit	Gifts and Donations	Career and Technical Education Projects
<b>Revenues:</b>			
Other local	\$ 1,555,318	\$ 395,280	\$ 33,100
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>	<u>1,555,318</u>	<u>395,280</u>	<u>33,100</u>
<b>Expenditures:</b>			
Current -			
Instruction	919,246	241,845	20,297
Support services - students and staff	10,572	6,415	
Support services - administration		17,068	
Operation and maintenance of plant services	107,331	48,549	
Student transportation services	98,686	6,916	
Operation of non-instructional services			
Capital outlay	344,967	79,725	7,605
<b>Total expenditures</b>	<u>1,480,802</u>	<u>400,518</u>	<u>27,902</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>74,516</u>	<u>(5,238)</u>	<u>5,198</u>
<b>Other financing sources (uses):</b>			
Transfers out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>74,516</u>	<u>(5,238)</u>	<u>5,198</u>
<b>Fund balances (deficits), beginning of year</b>	3,136,132	958,996	50,271
Increase (decrease) in reserve for inventory			
<b>Fund balances, end of year</b>	<u>\$ 3,210,648</u>	<u>\$ 953,758</u>	<u>\$ 55,469</u>

<u>Fingerprint</u>	<u>Textbooks</u>	<u>Career Technical Education</u>	<u>Arizona Industry Credentials Incentive</u>	<u>Student Activities</u>	<u>Intergovernmental Agreements</u>
\$ 4,296	\$ 77,257	\$ 1,261,438	\$ 56,616	\$ 1,549,844	\$ 167
<u>4,296</u>	<u>77,257</u>	<u>1,261,438</u>	<u>56,616</u>	<u>1,549,844</u>	<u>167</u>
4,296	10,774 13,350	803,784 33,107		1,390,822 403	426
<u>4,296</u>	<u>24,124</u>	<u>151,421</u> <u>988,312</u>	<u>56,616</u> <u>56,616</u>	<u>19,991</u> <u>1,455,671</u>	<u>426</u>
	<u>53,133</u>	<u>273,126</u>		<u>94,173</u>	<u>(259)</u>
	<u>53,133</u>	<u>273,126</u>		<u>94,173</u>	<u>(259)</u>
	207,820	51,453		1,745,017	20,312
<u>\$</u>	<u>\$ 260,953</u>	<u>\$ 324,579</u>	<u>\$</u>	<u>\$ 1,839,190</u>	<u>\$ 20,053</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Totals
<b>Revenues:</b>	
Other local	\$ 15,372,967
State aid and grants	31,456,123
Federal aid, grants and reimbursements	30,510,027
<b>Total revenues</b>	<b>77,339,117</b>
<b>Expenditures:</b>	
Current -	
Instruction	33,383,951
Support services - students and staff	7,749,048
Support services - administration	793,794
Operation and maintenance of plant services	3,454,112
Student transportation services	200,979
Operation of non-instructional services	16,313,094
Capital outlay	1,637,056
<b>Total expenditures</b>	<b>63,532,034</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>13,807,083</b>
<b>Other financing sources (uses):</b>	
Transfers out	(2,298,551)
<b>Total other financing sources (uses)</b>	<b>(2,298,551)</b>
<b>Changes in fund balances</b>	<b>11,508,532</b>
<b>Fund balances (deficits), beginning of year</b>	<b>13,592,831</b>
Increase (decrease) in reserve for inventory	4,490
<b>Fund balances, end of year</b>	<b>\$ 25,105,853</b>

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**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 29,261	\$ 29,261
State aid and grants		24,928,490	24,928,490
Federal aid, grants and reimbursements			
<b>Total revenues</b>		24,957,751	24,957,751
<b>Expenditures:</b>			
Current -			
Instruction	25,245,016	22,185,291	3,059,725
Support services - students and staff		765,367	(765,367)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	25,245,016	22,950,658	2,294,358
<b>Excess (deficiency) of revenues over expenditures</b>	(25,245,016)	2,007,093	27,252,109
<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>	(25,245,016)	2,007,093	27,252,109
<b>Fund balances (deficits), beginning of year</b>		327,030	327,030
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (25,245,016)	\$ 2,334,123	\$ 27,579,139

Instructional Improvement			Title I Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 11,557 1,644,000	\$ 11,557 1,644,000	\$	\$	\$
	<u>1,655,557</u>	<u>1,655,557</u>		<u>6,441,308</u> <u>6,441,308</u>	<u>6,441,308</u> <u>6,441,308</u>
1,286,077	659,533 453,878 19,289 3,476	626,544 (453,878) (19,289) (3,476)	8,199,516	2,638,906 1,610,300 253,571 15,626 8,656 736,470 66,881	5,560,610 (1,610,300) (253,571) (15,626) (8,656) (736,470) (66,881)
<u>1,286,077</u>	<u>1,137,245</u>	<u>148,832</u>	<u>8,199,516</u>	<u>5,330,410</u>	<u>2,869,106</u>
<u>(1,286,077)</u>	<u>518,312</u>	<u>1,804,389</u>	<u>(8,199,516)</u>	<u>1,110,898</u>	<u>9,310,414</u>
				(472,445)	(472,445)
				<u>(472,445)</u>	<u>(472,445)</u>
<u>(1,286,077)</u>	<u>518,312</u>	<u>1,804,389</u>	<u>(8,199,516)</u>	<u>638,453</u>	<u>8,837,969</u>
	1,119,174	1,119,174		(1,231,751)	(1,231,751)
<u>\$ (1,286,077)</u>	<u>\$ 1,637,486</u>	<u>\$ 2,923,563</u>	<u>\$ (8,199,516)</u>	<u>\$ (593,298)</u>	<u>\$ 7,606,218</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Professional Development and Technology Grants		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		1,012,156	1,012,156
<b>Total revenues</b>		1,012,156	1,012,156
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff	1,256,413	780,157	476,256
Support services - administration		36,975	(36,975)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		41,528	(41,528)
<b>Total expenditures</b>	1,256,413	858,660	397,753
<b>Excess (deficiency) of revenues over expenditures</b>	(1,256,413)	153,496	1,409,909
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(63,705)	(63,705)
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>		(63,705)	(63,705)
<b>Changes in fund balances</b>	(1,256,413)	89,791	1,346,204
<b>Fund balances (deficits), beginning of year</b>		(135,642)	(135,642)
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (1,256,413)	\$ (45,851)	\$ 1,210,562

Title IV Grants			Limited English & Immigrant Students		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	1,448,266	1,448,266		371,638	371,638
	1,448,266	1,448,266		371,638	371,638
1,193,500	426,692	766,808		110,396	(110,396)
	243,056	(243,056)	544,681	296,458	248,223
	146,495	(146,495)		510	(510)
	4,829	(4,829)			
	5,102	(5,102)			
	205,907	(205,907)			
1,193,500	1,032,081	161,419	544,681	407,364	137,317
(1,193,500)	416,185	1,609,685	(544,681)	(35,726)	508,955
	(77,889)	(77,889)		(38,488)	(38,488)
	(77,889)	(77,889)		(38,488)	(38,488)
(1,193,500)	338,296	1,531,796	(544,681)	(74,214)	470,467
	(600,397)	(600,397)		(68,607)	(68,607)
\$ (1,193,500)	\$ (262,101)	\$ 931,399	\$ (544,681)	\$ (142,821)	\$ 401,860

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Indian Education		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		24,084	24,084
<b>Total revenues</b>		24,084	24,084
<b>Expenditures:</b>			
Current -			
Instruction	44,000	27,331	16,669
Support services - students and staff		497	(497)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	44,000	27,828	16,172
<b>Excess (deficiency) of revenues over expenditures</b>	(44,000)	(3,744)	40,256
<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>	(44,000)	(3,744)	40,256
<b>Fund balances (deficits), beginning of year</b>		(3,494)	(3,494)
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (44,000)	\$ (7,238)	\$ 36,762

Special Education Grants			Vocational Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	<u>6,112,652</u>	<u>6,112,652</u>		<u>938,593</u>	<u>938,593</u>
	<u>6,112,652</u>	<u>6,112,652</u>		<u>938,593</u>	<u>938,593</u>
6,440,951	3,280,076	3,160,875		75,439	(75,439)
	1,601,922	(1,601,922)	697,755	282,221	415,534
	3,251	(3,251)			
	45,571	(45,571)			
	39,604	(39,604)			
	<u>8,803</u>	<u>(8,803)</u>		<u>173,036</u>	<u>(173,036)</u>
<u>6,440,951</u>	<u>4,979,227</u>	<u>1,461,724</u>	<u>697,755</u>	<u>530,696</u>	<u>167,059</u>
<u>(6,440,951)</u>	<u>1,133,425</u>	<u>7,574,376</u>	<u>(697,755)</u>	<u>407,897</u>	<u>1,105,652</u>
	(470,155)	(470,155)		(17,144)	(17,144)
	<u>(470,155)</u>	<u>(470,155)</u>		<u>(17,144)</u>	<u>(17,144)</u>
<u>(6,440,951)</u>	<u>663,270</u>	<u>7,104,221</u>	<u>(697,755)</u>	<u>390,753</u>	<u>1,088,508</u>
	(1,380,098)	(1,380,098)		(517,277)	(517,277)
<u>\$ (6,440,951)</u>	<u>\$ (716,828)</u>	<u>\$ 5,724,123</u>	<u>\$ (697,755)</u>	<u>\$ (126,524)</u>	<u>\$ 571,231</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Homeless Education		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		48,960	48,960
<b>Total revenues</b>		48,960	48,960
<b>Expenditures:</b>			
Current -			
Instruction		4,274	(4,274)
Support services - students and staff		6,388	(6,388)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services	84,240	12,028	72,212
Capital outlay			
<b>Total expenditures</b>	84,240	22,690	61,550
<b>Excess (deficiency) of revenues over expenditures</b>	(84,240)	26,270	110,510
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(1,112)	(1,112)
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>		(1,112)	(1,112)
<b>Changes in fund balances</b>	(84,240)	25,158	109,398
<b>Fund balances (deficits), beginning of year</b>		(26,360)	(26,360)
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (84,240)	\$ (1,202)	\$ 83,038

Medicaid Reimbursement			Taylor Grazing Fees		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 38,964	\$ 38,964	\$	\$	\$
	3,506,186	3,506,186		2	2
	3,545,150	3,545,150		2	2
	1,116,296	(1,116,296)			
	371,744	(371,744)			
	301,703	(301,703)			
4,000,000	6,979,506	(2,979,506)		2	(2)
	42,508	(42,508)			
	75,829	(75,829)			
	53,875	(53,875)			
4,000,000	8,941,461	(4,941,461)		2	(2)
(4,000,000)	(5,396,311)	(1,396,311)			
(4,000,000)	(5,396,311)	(1,396,311)			
	16,651,312	16,651,312			
\$ (4,000,000)	\$ 11,255,001	\$ 15,255,001	\$	\$	\$

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	E-Rate		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 8,427	\$ 8,427
State aid and grants			
Federal aid, grants and reimbursements		187,141	187,141
<b>Total revenues</b>		<u>195,568</u>	<u>195,568</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff		17,100	(17,100)
Support services - administration			
Operation and maintenance of plant services	300,000	187,141	112,859
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>300,000</u>	<u>204,241</u>	<u>95,759</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(300,000)</u>	<u>(8,673)</u>	<u>291,327</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>(300,000)</u>	<u>(8,673)</u>	<u>291,327</u>
<b>Fund balances (deficits), beginning of year</b>		1,016,033	1,016,033
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (300,000)</u>	<u>\$ 1,007,360</u>	<u>\$ 1,307,360</u>

State Vocational Education			College Credit Exam Incentives		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	216,772	216,772		254,984	254,984
	<u>216,772</u>	<u>216,772</u>		<u>254,984</u>	<u>254,984</u>
	77,162	(77,162)	241,811	233,672	8,139
	36,000	(36,000)			
	3,825	(3,825)			
	4,294	(4,294)			
<u>230,000</u>	<u>100,477</u>	<u>129,523</u>	<u>241,811</u>	<u>233,672</u>	<u>8,139</u>
<u>230,000</u>	<u>221,758</u>	<u>8,242</u>	<u>241,811</u>	<u>233,672</u>	<u>8,139</u>
<u>(230,000)</u>	<u>(4,986)</u>	<u>225,014</u>	<u>(241,811)</u>	<u>21,312</u>	<u>263,123</u>
<u>(230,000)</u>	<u>(4,986)</u>	<u>225,014</u>	<u>(241,811)</u>	<u>21,312</u>	<u>263,123</u>
	(4,101)	(4,101)		209,363	209,363
<u>\$ (230,000)</u>	<u>\$ (9,087)</u>	<u>\$ 220,913</u>	<u>\$ (241,811)</u>	<u>\$ 230,675</u>	<u>\$ 472,486</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Results-based Funding		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants		2,158,209	2,158,209
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>2,158,209</u>	<u>2,158,209</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff	2,811,110	1,398,406	1,412,704
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>2,811,110</u>	<u>1,398,406</u>	<u>1,412,704</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(2,811,110)</u>	<u>759,803</u>	<u>3,570,913</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>(2,811,110)</u>	<u>759,803</u>	<u>3,570,913</u>
<b>Fund balances (deficits), beginning of year</b>		5,115,646	5,115,646
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (2,811,110)</u>	<u>\$ 5,875,449</u>	<u>\$ 8,686,559</u>

Other State Projects			School Plant		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 2,197,052	\$ 2,197,052	\$	\$ 424,011	\$ 424,011
	<u>2,197,052</u>	<u>2,197,052</u>		<u>424,011</u>	<u>424,011</u>
	83,306	(83,306)			
	172,164	(172,164)		12,061	(12,061)
	2,585	(2,585)	1,000,000	136,566	863,434
1,800,000	1,734,462	65,538		1,500	(1,500)
				93,001	(93,001)
<u>1,800,000</u>	<u>1,992,517</u>	<u>(192,517)</u>	<u>1,000,000</u>	<u>243,128</u>	<u>756,872</u>
<u>(1,800,000)</u>	<u>204,535</u>	<u>2,004,535</u>	<u>(1,000,000)</u>	<u>180,883</u>	<u>1,180,883</u>
	(6,000)	(6,000)			
	<u>(6,000)</u>	<u>(6,000)</u>		138,792	138,792
				<u>138,792</u>	<u>138,792</u>
<u>(1,800,000)</u>	<u>198,535</u>	<u>1,998,535</u>	<u>(1,000,000)</u>	<u>319,675</u>	<u>1,319,675</u>
	(23,533)	(23,533)		3,433,758	3,433,758
<u>\$ (1,800,000)</u>	<u>\$ 175,002</u>	<u>\$ 1,975,002</u>	<u>\$ (1,000,000)</u>	<u>\$ 3,753,433</u>	<u>\$ 4,753,433</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Food Service		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 376,591	\$ 376,591
State aid and grants			
Federal aid, grants and reimbursements		13,925,229	13,925,229
<b>Total revenues</b>		14,301,820	14,301,820
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services		1,101,066	(1,101,066)
Student transportation services			
Operation of non-instructional services	10,000,000	7,828,532	2,171,468
Capital outlay		11,539	(11,539)
<b>Total expenditures</b>	10,000,000	8,941,137	1,058,863
<b>Excess (deficiency) of revenues over expenditures</b>	(10,000,000)	5,360,683	15,360,683
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(1,151,613)	(1,151,613)
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>		(1,151,613)	(1,151,613)
<b>Changes in fund balances</b>	(10,000,000)	4,209,070	14,209,070
<b>Fund balances (deficits), beginning of year</b>		1,317,708	1,317,708
Increase (decrease) in reserve for inventory		4,490	4,490
<b>Fund balances (deficits), end of year</b>	\$ (10,000,000)	\$ 5,531,268	\$ 15,531,268

Civic Center			Community School		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 804,567	\$ 804,567	\$	\$ 9,265,864	\$ 9,265,864
	<u>804,567</u>	<u>804,567</u>		<u>9,265,864</u>	<u>9,265,864</u>
	92,614	(92,614)		102,491	(102,491)
	26,977	(26,977)		11,410	(11,410)
	3,643	(3,643)		284,760	(284,760)
	173,966	(173,966)		20,528	(20,528)
	156,361	(156,361)	9,000,000	4,833	(4,833)
<u>1,850,000</u>	<u>327,394</u>	<u>1,522,606</u>		7,579,703	1,420,297
<u>1,850,000</u>	<u>780,955</u>	<u>1,069,045</u>	<u>9,000,000</u>	<u>40,097</u>	<u>(40,097)</u>
<u>(1,850,000)</u>	<u>23,612</u>	<u>1,873,612</u>	<u>(9,000,000)</u>	<u>8,043,822</u>	<u>956,178</u>
<u>(1,850,000)</u>	<u>23,612</u>	<u>1,873,612</u>	<u>(9,000,000)</u>	<u>1,222,042</u>	<u>10,222,042</u>
	2,079,318	2,079,318		229,818	229,818
<u>\$ (1,850,000)</u>	<u>\$ 2,102,930</u>	<u>\$ 3,952,930</u>	<u>\$ (9,000,000)</u>	<u>\$ 1,451,860</u>	<u>\$ 10,451,860</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Auxiliary Operations		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 2,151,845	\$ 2,151,845
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		2,151,845	2,151,845
<b>Expenditures:</b>			
Current -			
Instruction	2,750,000	1,699,249	1,050,751
Support services - students and staff		89,392	(89,392)
Support services - administration		15,475	(15,475)
Operation and maintenance of plant services		215,002	(215,002)
Student transportation services		68,103	(68,103)
Operation of non-instructional services		21,970	(21,970)
Capital outlay		85,994	(85,994)
<b>Total expenditures</b>	2,750,000	2,195,185	554,815
<b>Excess (deficiency) of revenues over expenditures</b>	(2,750,000)	(43,340)	2,706,660
<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>	(2,750,000)	(43,340)	2,706,660
<b>Fund balances (deficits), beginning of year</b>		2,223,904	2,223,904
Increase (decrease) in reserve for inventory		76,985	76,985
<b>Fund balances (deficits), end of year</b>	\$ (2,750,000)	\$ 2,257,549	\$ 5,007,549

<u>Extracurricular Activities Fees Tax Credit</u>			<u>Gifts and Donations</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
\$	\$ 1,555,318	\$ 1,555,318	\$	\$ 395,280	\$ 395,280
	<u>1,555,318</u>	<u>1,555,318</u>		<u>395,280</u>	<u>395,280</u>
1,000,000	919,246	80,754	800,000	241,845	558,155
	10,572	(10,572)		6,415	(6,415)
	107,331	(107,331)		17,068	(17,068)
	98,686	(98,686)		48,549	(48,549)
	<u>344,967</u>	<u>(344,967)</u>		<u>79,725</u>	<u>(79,725)</u>
<u>1,000,000</u>	<u>1,480,802</u>	<u>(480,802)</u>	<u>800,000</u>	<u>400,518</u>	<u>399,482</u>
<u>(1,000,000)</u>	<u>74,516</u>	<u>1,074,516</u>	<u>(800,000)</u>	<u>(5,238)</u>	<u>794,762</u>
<u>(1,000,000)</u>	<u>74,516</u>	<u>1,074,516</u>	<u>(800,000)</u>	<u>(5,238)</u>	<u>794,762</u>
	3,136,132	3,136,132		958,996	958,996
<u>\$ (1,000,000)</u>	<u>\$ 3,210,648</u>	<u>\$ 4,210,648</u>	<u>\$ (800,000)</u>	<u>\$ 953,758</u>	<u>\$ 1,753,758</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Career and Technical Education Projects		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 33,100	\$ 33,100
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		33,100	33,100
<b>Expenditures:</b>			
Current -			
Instruction	70,000	20,297	49,703
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		7,605	(7,605)
<b>Total expenditures</b>	70,000	27,902	42,098
<b>Excess (deficiency) of revenues over expenditures</b>	(70,000)	5,198	75,198
<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>	(70,000)	5,198	75,198
<b>Fund balances (deficits), beginning of year</b>		50,271	50,271
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (70,000)	\$ 55,469	\$ 125,469

Fingerprint			Textbooks		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 4,296	\$ 4,296	\$	\$ 77,257	\$ 77,257
	<u>4,296</u>	<u>4,296</u>		<u>77,257</u>	<u>77,257</u>
45,000	4,296	40,704	50,000	10,774	(10,774)
				13,350	36,650
<u>45,000</u>	<u>4,296</u>	<u>40,704</u>	<u>50,000</u>	<u>24,124</u>	<u>25,876</u>
<u>(45,000)</u>		<u>45,000</u>	<u>(50,000)</u>	<u>53,133</u>	<u>103,133</u>
<u>(45,000)</u>		<u>45,000</u>	<u>(50,000)</u>	<u>53,133</u>	<u>103,133</u>
				207,820	207,820
<u>\$ (45,000)</u>	<u>\$</u>	<u>\$ 45,000</u>	<u>\$ (50,000)</u>	<u>\$ 260,953</u>	<u>\$ 310,953</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Indirect Costs		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
<b>Revenues:</b>			
Other local	\$	\$ 10,722	\$ 10,722
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>	<u>                    </u>	<u>10,722</u>	<u>10,722</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff		87,908	(87,908)
Support services - administration		318,682	(318,682)
Operation and maintenance of plant services	2,000,000	3,841,601	(1,841,601)
Student transportation services			
Operation of non-instructional services		44,399	(44,399)
Capital outlay			
<b>Total expenditures</b>	<u>2,000,000</u>	<u>4,292,590</u>	<u>(2,292,590)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(2,000,000)</u>	<u>(4,281,868)</u>	<u>(2,281,868)</u>
<b>Other financing sources (uses):</b>			
Transfers in		3,175,906	3,175,906
Transfers out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>	<u>                    </u>	<u>3,175,906</u>	<u>3,175,906</u>
<b>Changes in fund balances</b>	<u>(2,000,000)</u>	<u>(1,105,962)</u>	<u>894,038</u>
<b>Fund balances (deficits), beginning of year</b>		2,355,914	2,355,914
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (2,000,000)</u>	<u>\$ 1,249,952</u>	<u>\$ 3,249,952</u>

Advertisement			Career Technical Education		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 863	\$ 863	\$	\$ 1,261,438	\$ 1,261,438
	<u>863</u>	<u>863</u>		<u>1,261,438</u>	<u>1,261,438</u>
35,000		35,000	1,155,000	803,784	351,216
				33,107	(33,107)
<u>35,000</u>	<u></u>	<u>35,000</u>	<u>1,155,000</u>	<u>151,421</u>	<u>(151,421)</u>
<u>(35,000)</u>	<u>863</u>	<u>35,863</u>	<u>(1,155,000)</u>	<u>988,312</u>	<u>166,688</u>
				<u>273,126</u>	<u>1,428,126</u>
<u>(35,000)</u>	<u>863</u>	<u>35,863</u>	<u>(1,155,000)</u>	<u>273,126</u>	<u>1,428,126</u>
	39,062	39,062		51,453	51,453
<u>\$ (35,000)</u>	<u>\$ 39,925</u>	<u>\$ 74,925</u>	<u>\$ (1,155,000)</u>	<u>\$ 324,579</u>	<u>\$ 1,479,579</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Arizona Industry Credentials Incentive		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants		56,616	56,616
Federal aid, grants and reimbursements			
<b>Total revenues</b>		56,616	56,616
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		56,616	(56,616)
<b>Total expenditures</b>		56,616	(56,616)
<b>Excess (deficiency) of revenues over expenditures</b>			
<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>			
<b>Fund balances (deficits), beginning of year</b>			
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$	\$	\$

District Services			Student Activities		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 75,318	\$ 75,318	\$	\$ 1,549,844	\$ 1,549,844
	<u>75,318</u>	<u>75,318</u>		<u>1,549,844</u>	<u>1,549,844</u>
			1,300,000	1,390,822	(90,822)
				403	(403)
175,000	61,570	113,430		15,043	(15,043)
				29,412	(29,412)
<u>175,000</u>	<u>61,570</u>	<u>113,430</u>	<u>1,300,000</u>	<u>19,991</u>	<u>(19,991)</u>
				<u>1,455,671</u>	<u>(155,671)</u>
<u>(175,000)</u>	<u>13,748</u>	<u>188,748</u>	<u>(1,300,000)</u>	<u>94,173</u>	<u>1,394,173</u>
<u>(175,000)</u>	<u>13,748</u>	<u>188,748</u>	<u>(1,300,000)</u>	<u>94,173</u>	<u>1,394,173</u>
	113,273	113,273		1,745,017	1,745,017
<u>\$ (175,000)</u>	<u>\$ 127,021</u>	<u>\$ 302,021</u>	<u>\$ (1,300,000)</u>	<u>\$ 1,839,190</u>	<u>\$ 3,139,190</u>

(Continued)

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Intergovernmental Agreements		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 167	\$ 167
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		167	167
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration	20,000	426	19,574
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	20,000	426	19,574
<b>Excess (deficiency) of revenues over expenditures</b>	(20,000)	(259)	19,741
<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)	(259)	19,741
<b>Fund balances (deficits), beginning of year</b>		20,312	20,312
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (20,000)	\$ 20,053	\$ 40,053

Totals		
Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 18,074,690	\$ 18,074,690
	31,456,123	31,456,123
	34,016,215	34,016,215
	<u>83,547,028</u>	<u>83,547,028</u>
49,760,871	36,199,496	13,561,375
5,359,959	8,310,153	(2,950,194)
1,065,000	1,566,220	(501,220)
8,100,000	14,491,723	(6,391,723)
175,000	373,160	(198,160)
19,084,240	16,455,292	2,628,948
2,080,000	1,869,926	210,074
<u>85,625,070</u>	<u>79,265,970</u>	<u>6,359,100</u>
<u>(85,625,070)</u>	<u>4,281,058</u>	<u>89,906,128</u>
	3,175,906	3,175,906
	(2,298,551)	(2,298,551)
	138,792	138,792
	<u>1,016,147</u>	<u>1,016,147</u>
<u>(85,625,070)</u>	<u>5,297,205</u>	<u>90,922,275</u>
	38,410,054	38,410,054
	81,475	81,475
<u>\$ (85,625,070)</u>	<u>\$ 43,788,734</u>	<u>\$ 129,413,804</u>

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## **DEBT SERVICE FUND**

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

**PARADISE VALLEY UNIFIED SCHOOL DISTRICT NO. 69**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL DEBT SERVICE FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Debt Service		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ (307,571)	\$ (307,571)
Property taxes		47,773,898	47,773,898
Federal aid, grants and reimbursements		1,225,493	1,225,493
<b>Total revenues</b>		<u>48,691,820</u>	<u>48,691,820</u>
<b>Expenditures:</b>			
Debt service -			
Principal retirement	40,340,000	40,340,000	
Interest and fiscal charges	17,660,000	14,860,848	2,799,152
Bond issuance costs		324,738	(324,738)
<b>Total expenditures</b>	<u>58,000,000</u>	<u>55,525,586</u>	<u>2,474,414</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(58,000,000)</u>	<u>(6,833,766)</u>	<u>51,166,234</u>
<b>Other financing sources (uses):</b>			
Transfers in		1,374,642	1,374,642
Issuance of refunding bonds		33,555,000	33,555,000
Premium on sale of bonds		6,351,475	6,351,475
Payment to refunded bond escrow agent		(39,581,737)	(39,581,737)
<b>Total other financing sources (uses)</b>		<u>1,699,380</u>	<u>1,699,380</u>
<b>Changes in fund balances</b>	<u>(58,000,000)</u>	<u>(5,134,386)</u>	<u>52,865,614</u>
<b>Fund balances, beginning of year</b>		22,774,752	22,774,752
<b>Fund balances (deficits), end of year</b>	<u>\$ (58,000,000)</u>	<u>\$ 17,640,366</u>	<u>\$ 75,640,366</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, 2022**

	Insurance Proceeds	Litigation Recovery	Unrestricted Capital Outlay
<b><u>ASSETS</u></b>			
Cash and investments	\$ 346,051	\$ 339,277	\$ 15,839,035
Property taxes receivable			89,517
Due from governmental entities			
<b>Total assets</b>	<b>\$ 346,051</b>	<b>\$ 339,277</b>	<b>\$ 15,928,552</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ _____	\$ _____	\$ 17,024
<b>Total liabilities</b>	_____	_____	17,024
Deferred inflows of resources:			
Unavailable revenues - property taxes	_____	_____	18,698
Fund balances:			
Restricted	346,051	339,277	15,892,830
<b>Total fund balances</b>	<b>346,051</b>	<b>339,277</b>	<b>15,892,830</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 346,051</b>	<b>\$ 339,277</b>	<b>\$ 15,928,552</b>

<u>Adjacent Ways</u>	<u>Building Renewal Grant</u>	<u>New School Facilities</u>	<u>Totals</u>
\$ 1,121,398	\$ 958,121	\$ 16,095	\$ 18,619,977
	1,270,920		89,517
<u>\$ 1,121,398</u>	<u>\$ 2,229,041</u>	<u>\$ 16,095</u>	<u>\$ 19,980,414</u>
\$ 592,594	\$ 2,229,041	\$	\$ 2,838,659
<u>592,594</u>	<u>2,229,041</u>		<u>2,838,659</u>
			18,698
528,804		16,095	17,123,057
<u>528,804</u>		<u>16,095</u>	<u>17,123,057</u>
<u>\$ 1,121,398</u>	<u>\$ 2,229,041</u>	<u>\$ 16,095</u>	<u>\$ 19,980,414</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, 2022**

	Insurance Proceeds	Litigation Recovery	Unrestricted Capital Outlay
<b>Revenues:</b>			
Other local	\$ 61,036	\$ 2,135	\$ 1,172,210
Property taxes			11,457,014
State aid and grants			
<b>Total revenues</b>	61,036	2,135	12,629,224
<b>Expenditures:</b>			
Current -			
Instruction	75		
Support services - administration	216		
Operation and maintenance of plant services	100		
Capital outlay	684		8,411,298
<b>Total expenditures</b>	1,075		8,411,298
<b>Changes in fund balances</b>	59,961	2,135	4,217,926
<b>Fund balances, beginning of year</b>	286,090	337,142	11,674,904
<b>Fund balances, end of year</b>	\$ 346,051	\$ 339,277	\$ 15,892,830

<u>Adjacent Ways</u>	<u>Building Renewal Grant</u>	<u>New School Facilities</u>	<u>Totals</u>
\$ 11,028	\$ 825	\$ 135	\$ 1,247,369
887,599			12,344,613
	6,358,674		6,358,674
<u>898,627</u>	<u>6,359,499</u>	<u>135</u>	<u>19,950,656</u>
			75
			216
			100
<u>1,048,343</u>	<u>6,359,499</u>		<u>15,819,824</u>
<u>1,048,343</u>	<u>6,359,499</u>		<u>15,820,215</u>
<u>(149,716)</u>		<u>135</u>	<u>4,130,441</u>
678,520		15,960	12,992,616
<u>\$ 528,804</u>	<u>\$</u>	<u>\$ 16,095</u>	<u>\$ 17,123,057</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, 2022**

	Insurance Proceeds		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 61,036	\$ 61,036
Property taxes			
State aid and grants			
<b>Total revenues</b>		61,036	61,036
<b>Expenditures:</b>			
Current -			
Instruction		75	(75)
Support services - administration		216	(216)
Operation and maintenance of plant services		100	(100)
Capital outlay	200,000	684	199,316
Debt service -			
Bond issuance costs			
<b>Total expenditures</b>	200,000	1,075	198,925
<b>Excess (deficiency) of revenues over expenditures</b>	(200,000)	59,961	259,961
<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>	(200,000)	59,961	259,961
<b>Fund balances, beginning of year</b>		286,090	286,090
<b>Fund balances (deficits), end of year</b>	\$ (200,000)	\$ 346,051	\$ 546,051

Litigation Recovery			Unrestricted Capital Outlay		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 2,135	\$ 2,135	\$	\$ 1,172,210 11,457,014	\$ 1,172,210 11,457,014
	<u>2,135</u>	<u>2,135</u>		<u>12,629,224</u>	<u>12,629,224</u>
30,000		30,000			
			24,313,225	8,411,298	15,901,927
<u>30,000</u>		<u>30,000</u>	<u>24,313,225</u>	<u>8,411,298</u>	<u>15,901,927</u>
<u>(30,000)</u>	<u>2,135</u>	<u>32,135</u>	<u>(24,313,225)</u>	<u>4,217,926</u>	<u>28,531,151</u>
<u>(30,000)</u>	<u>2,135</u>	<u>32,135</u>	<u>(24,313,225)</u>	<u>4,217,926</u>	<u>28,531,151</u>
	337,142	337,142		11,674,904	11,674,904
<u>\$ (30,000)</u>	<u>\$ 339,277</u>	<u>\$ 369,277</u>	<u>\$ (24,313,225)</u>	<u>\$ 15,892,830</u>	<u>\$ 40,206,055</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, 2022**

	Adjacent Ways		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 11,028	\$ 11,028
Property taxes		887,599	887,599
State aid and grants			
<b>Total revenues</b>		898,627	898,627
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - administration			
Operation and maintenance of plant services			
Capital outlay	2,334,282	1,048,343	1,285,939
Debt service -			
Bond issuance costs			
<b>Total expenditures</b>	2,334,282	1,048,343	1,285,939
<b>Excess (deficiency) of revenues over expenditures</b>	(2,334,282)	(149,716)	2,184,566
<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>	(2,334,282)	(149,716)	2,184,566
<b>Fund balances, beginning of year</b>		678,520	678,520
<b>Fund balances (deficits), end of year</b>	\$ (2,334,282)	\$ 528,804	\$ 2,863,086

<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>
\$	\$ 992,606	\$ 992,606	\$	\$ 825	\$ 825
				6,358,674	6,358,674
	<u>992,606</u>	<u>992,606</u>		<u>6,359,499</u>	<u>6,359,499</u>
53,767,617	55,828,623	(2,061,006)	500,000	6,359,499	(5,859,499)
	203,226	(203,226)			
<u>53,767,617</u>	<u>56,031,849</u>	<u>(2,264,232)</u>	<u>500,000</u>	<u>6,359,499</u>	<u>(5,859,499)</u>
<u>(53,767,617)</u>	<u>(55,039,243)</u>	<u>(1,271,626)</u>	<u>(500,000)</u>		<u>500,000</u>
	(1,374,642)	(1,374,642)			
	43,300,000	43,300,000			
	6,043,980	6,043,980			
	<u>47,969,338</u>	<u>47,969,338</u>			
<u>(53,767,617)</u>	<u>(7,069,905)</u>	<u>46,697,712</u>	<u>(500,000)</u>		<u>500,000</u>
	87,879,634	87,879,634			
<u>\$ (53,767,617)</u>	<u>\$ 80,809,729</u>	<u>\$ 134,577,346</u>	<u>\$ (500,000)</u>	<u>\$</u>	<u>\$ 500,000</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, 2022**

	New School Facilities		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 135	\$ 135
Property taxes			
State aid and grants			
<b>Total revenues</b>		135	135
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - administration			
Operation and maintenance of plant services			
Capital outlay			
Debt service -			
Bond issuance costs			
<b>Total expenditures</b>			
<b>Excess (deficiency) of revenues over expenditures</b>		135	135
<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>		135	135
<b>Fund balances, beginning of year</b>		15,960	15,960
<b>Fund balances (deficits), end of year</b>	\$	\$ 16,095	\$ 16,095

Totals		
Budget	Actual	Variance - Positive (Negative)
\$	\$ 2,239,975	\$ 2,239,975
	12,344,613	12,344,613
	6,358,674	6,358,674
	<u>20,943,262</u>	<u>20,943,262</u>
30,000	75	29,925
	216	(216)
	100	(100)
81,115,124	71,648,447	9,466,677
	203,226	(203,226)
<u>81,145,124</u>	<u>71,852,064</u>	<u>9,293,060</u>
<u>(81,145,124)</u>	<u>(50,908,802)</u>	<u>30,236,322</u>
	(1,374,642)	(1,374,642)
	43,300,000	43,300,000
	6,043,980	6,043,980
	<u>47,969,338</u>	<u>47,969,338</u>
<u>(81,145,124)</u>	<u>(2,939,464)</u>	<u>78,205,660</u>
	100,872,250	100,872,250
<u>\$ (81,145,124)</u>	<u>\$ 97,932,786</u>	<u>\$ 179,077,910</u>

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## STATISTICAL SECTION

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

### **Financial Trends**

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

### **Revenue Capacity**

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

### **Debt Capacity**

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

### **Demographic and Economic Information**

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

### **Operating Information**

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

**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.

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**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>2022</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>
<b>Net Position:</b>					
Net investment in capital assets	\$ 248,076,152	\$ 243,800,072	\$ 239,006,633	\$ 245,271,047	\$ 242,247,329
Restricted	61,889,973	53,761,691	56,773,837	35,384,087	30,205,400
Unrestricted	<u>(86,754,383)</u>	<u>(86,920,728)</u>	<u>(86,845,737)</u>	<u>(89,098,444)</u>	<u>(114,982,601)</u>
Total net position	<u><u>\$ 223,211,742</u></u>	<u><u>\$ 210,641,035</u></u>	<u><u>\$ 208,934,733</u></u>	<u><u>\$ 191,556,690</u></u>	<u><u>\$ 157,470,128</u></u>
	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
<b>Net Position:</b>					
Net investment in capital assets	\$ 231,477,848	\$ 224,804,432	\$ 215,907,836	\$ 206,699,293	\$ 201,298,690
Restricted	28,281,491	31,078,902	29,958,382	29,601,619	27,284,345
Unrestricted	<u>(120,509,199)</u>	<u>(138,723,564)</u>	<u>(149,213,069)</u>	<u>93,335,001</u>	<u>86,869,650</u>
Total net position	<u><u>\$ 139,250,140</u></u>	<u><u>\$ 117,159,770</u></u>	<u><u>\$ 96,653,149</u></u>	<u><u>\$ 329,635,913</u></u>	<u><u>\$ 315,452,685</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>2022</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>
<b>Expenses</b>					
Instruction	\$ 204,809,731	\$ 193,487,003	\$ 182,852,000	\$ 165,591,583	\$ 156,476,955
Support services - students and staff	54,279,254	46,489,691	44,841,377	37,398,672	36,299,108
Support services - administration	28,887,092	28,891,955	26,394,466	22,572,054	21,954,686
Operation and maintenance of plant services	52,968,482	51,171,090	46,100,777	45,545,526	42,256,376
Student transportation services	12,014,638	9,437,806	11,428,095	11,632,085	11,331,016
Operation of non-instructional services	18,877,341	12,986,101	16,255,986	15,566,504	15,243,656
Interest on long-term debt	10,986,349	11,860,675	10,387,507	10,294,736	9,502,016
Total expenses	<u>382,822,887</u>	<u>354,324,321</u>	<u>338,260,208</u>	<u>308,601,160</u>	<u>293,063,813</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	5,948,746	5,693,180	7,444,047	6,016,819	4,278,610
Operation of non-instructional services	9,624,037	175,837	9,254,310	9,711,131	10,888,646
Other activities	1,213,032	1,100,629	564,097	2,231,631	1,201,560
Operating grants and contributions	53,517,324	50,156,409	26,705,500	27,545,811	28,993,650
Capital grants and contributions	7,076,028	2,065,392	3,957,121	1,785,421	2,501,649
Total program revenues	<u>77,379,167</u>	<u>59,191,447</u>	<u>47,925,075</u>	<u>47,290,813</u>	<u>47,864,115</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (305,443,720)</u>	<u>\$ (295,132,874)</u>	<u>\$ (290,335,133)</u>	<u>\$ (261,310,347)</u>	<u>\$ (245,199,698)</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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Expenses</b>					
Instruction	\$ 160,410,476	\$ 148,675,151	\$ 151,796,732	\$ 148,345,351	\$ 150,953,262
Support services - students and staff	39,376,509	37,841,857	36,968,070	36,538,577	38,013,792
Support services - administration	22,236,308	22,253,386	23,023,752	23,179,490	21,309,063
Operation and maintenance of plant services	40,872,182	39,748,757	38,770,828	41,192,714	38,827,569
Student transportation services	13,065,492	12,377,747	13,089,950	12,016,059	11,988,299
Operation of non-instructional services	16,038,352	15,086,738	14,963,883	14,884,097	13,881,739
Interest on long-term debt	9,066,977	9,874,251	10,564,464	12,181,656	10,774,654
Total expenses	<u>301,066,296</u>	<u>285,857,887</u>	<u>289,177,679</u>	<u>288,337,944</u>	<u>285,748,378</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	4,236,899	4,205,454	7,072,591	6,132,381	6,242,858
Operation of non-instructional services	10,653,855	9,952,481	10,141,607	9,673,667	8,911,341
Other activities	864,797	1,414,809	316,376	1,332,856	1,591,427
Operating grants and contributions	27,694,467	27,269,873	25,893,025	25,768,950	29,081,692
Capital grants and contributions	874,225	319,522	612,889	633,466	1,051,271
Total program revenues	<u>44,324,243</u>	<u>43,162,139</u>	<u>44,036,488</u>	<u>43,541,320</u>	<u>46,878,589</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (256,742,053)</u>	<u>\$ (242,695,748)</u>	<u>\$ (245,141,191)</u>	<u>\$ (244,796,624)</u>	<u>\$ (238,869,789)</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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Net (Expense)/Revenue</b>	\$ (305,443,720)	\$ (295,132,874)	\$ (290,335,133)	\$ (261,310,347)	\$ (245,199,698)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	148,066,669	143,711,422	134,087,723	136,583,445	130,282,792
Property taxes, levied for debt service	47,644,056	44,118,064	61,384,938	52,365,788	48,957,258
Property taxes, levied for capital outlay	12,329,549	7,225,368	1,939,864	7,191,643	5,742,075
Investment income	1,341,133	2,030,341	4,474,839	3,585,863	1,995,622
Unrestricted county aid	4,587,214	4,455,826	5,044,056	5,109,940	4,545,972
Unrestricted state aid	100,539,618	86,121,355	96,142,538	88,154,217	80,602,526
Unrestricted federal aid	3,506,188	2,519,029	2,971,737	2,406,013	2,444,084
<b>Total general revenues</b>	<u>318,014,427</u>	<u>290,181,405</u>	<u>306,045,695</u>	<u>295,396,909</u>	<u>274,570,329</u>
<b>Changes in Net Position</b>	<u>\$ 12,570,707</u>	<u>\$ (4,951,469)</u>	<u>\$ 15,710,562</u>	<u>\$ 34,086,562</u>	<u>\$ 29,370,631</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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Net (Expense)/Revenue</b>	\$ (256,742,053)	\$ (242,695,748)	\$ (245,141,191)	\$ (244,796,624)	\$ (238,869,789)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	130,008,172	119,283,245	114,370,870	118,188,493	118,759,150
Property taxes, levied for debt service	50,155,542	50,073,784	50,469,572	51,923,280	49,063,884
Property taxes, levied for capital outlay	5,773,048	6,565,163	5,768,266	6,631,552	6,658,059
Investment income	1,251,275	1,031,032	797,370	689,945	770,650
Unrestricted county aid	4,851,441	4,674,119	5,312,389	4,797,831	4,840,144
Unrestricted state aid	84,584,389	79,794,238	78,570,899	80,521,612	71,287,203
Unrestricted federal aid	2,208,556	1,780,788	1,087,114	627,315	888,136
<b>Total general revenues</b>	<u>278,832,423</u>	<u>263,202,369</u>	<u>256,376,480</u>	<u>263,380,028</u>	<u>252,267,226</u>
<b>Changes in Net Position</b>	<u>\$ 22,090,370</u>	<u>\$ 20,506,621</u>	<u>\$ 11,235,289</u>	<u>\$ 18,583,404</u>	<u>\$ 13,397,437</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>				
	<u><b>2022</b></u>	<u><b>2021</b></u>	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>
General Fund:					
Nonspendable	\$ 2,007,326	\$ 5,290,244	\$ 4,797,942	\$ 4,217,526	\$ 4,267,219
Assigned	3,753,433	16,906,181	14,456,542	7,117,432	6,775,968
Unassigned	84,830,659	64,666,807	54,288,384	53,714,306	48,602,601
Total General Fund	<u>\$ 90,591,418</u>	<u>\$ 86,863,232</u>	<u>\$ 73,542,868</u>	<u>\$ 65,049,264</u>	<u>\$ 59,645,788</u>
All Other Governmental Funds:					
Nonspendable	\$ 93,552	\$ 89,062	\$ 245,063	\$ 181,184	\$ 180,320
Restricted	142,494,349	141,295,556	141,688,720	101,508,594	92,588,678
Unassigned	(4,574,417)	(16,562,567)	(1,705,530)	(2,958,648)	(3,021,321)
Total all other governmental funds	<u>\$ 138,013,484</u>	<u>\$ 124,822,051</u>	<u>\$ 140,228,253</u>	<u>\$ 98,731,130</u>	<u>\$ 89,747,677</u>

**(Continued)**

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General Fund:					
Nonspendable	\$ 4,242,106	\$ 4,220,182	\$ 4,139,601	\$ 4,049,637	\$ 5,834,278
Assigned	16,805,190	15,750,000	10,600,000	7,500,000	7,800,000
Unassigned	31,718,621	23,814,571	18,815,962	24,831,219	20,910,966
Total General Fund	<u>\$ 52,765,917</u>	<u>\$ 43,784,753</u>	<u>\$ 33,555,563</u>	<u>\$ 36,380,856</u>	<u>\$ 34,545,244</u>
All Other Governmental Funds:					
Nonspendable	\$ 156,671	\$ 157,245	\$ 209,314	\$ 232,920	\$ 172,116
Restricted	74,944,584	81,467,961	81,058,481	72,693,282	75,003,470
Unassigned					
Total all other governmental funds	<u>\$ 75,101,255</u>	<u>\$ 81,625,206</u>	<u>\$ 81,267,795</u>	<u>\$ 72,926,202</u>	<u>\$ 75,175,586</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>2022</b></u>	<u><b>2021</b></u>	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>
<b>Federal sources:</b>					
Federal grants	\$ 49,001,194	\$ 30,631,397	\$ 18,839,758	\$ 18,671,878	\$ 15,988,928
National School Lunch Program	13,925,229	4,222,885	5,887,706	7,187,104	7,076,158
Total federal sources	<u>62,926,423</u>	<u>34,854,282</u>	<u>24,727,464</u>	<u>25,858,982</u>	<u>23,065,086</u>
<b>State sources:</b>					
State equalization assistance	73,967,128	67,612,565	77,731,626	69,928,659	64,890,449
State grants	4,883,633	4,623,986	4,757,245	4,040,485	3,908,734
School Facilities Board	6,358,674	392,400	82,309	1,632,262	770,586
Other revenues	26,572,490	18,508,790	18,410,912	18,225,558	15,712,077
Total state sources	<u>111,781,925</u>	<u>91,137,741</u>	<u>100,982,092</u>	<u>93,826,964</u>	<u>85,281,846</u>
<b>Local sources:</b>					
Property taxes	208,458,218	197,436,982	204,050,972	197,573,587	185,111,732
County aid	4,587,214	4,455,826	5,044,056	5,109,940	4,545,972
Food service sales	364,269	174,983	1,888,461	2,268,882	2,021,553
Investment income	1,215,418	1,879,439	4,196,146	3,415,154	1,888,895
Other revenues	18,201,714	7,925,379	15,769,481	16,104,113	17,348,458
Total local sources	<u>232,826,833</u>	<u>211,872,609</u>	<u>230,949,116</u>	<u>224,471,676</u>	<u>210,916,610</u>
<b>Total revenues</b>	<u><u>\$ 407,535,181</u></u>	<u><u>\$ 337,864,632</u></u>	<u><u>\$ 356,658,672</u></u>	<u><u>\$ 344,157,622</u></u>	<u><u>\$ 319,263,542</u></u>

**(Continued)**

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Federal sources:</b>					
Federal grants	\$ 18,328,730	\$ 17,114,332	\$ 16,767,484	\$ 18,143,576	\$ 21,926,165
National School Lunch Program	7,539,819	6,999,337	7,191,013	6,925,211	6,613,418
Total federal sources	<u>25,868,549</u>	<u>24,113,669</u>	<u>23,958,497</u>	<u>25,068,787</u>	<u>28,539,583</u>
<b>State sources:</b>					
State equalization assistance	70,802,491	64,428,092	66,135,627	67,017,819	60,038,408
State grants	1,673,811	1,629,071	1,622,618	1,413,335	1,812,466
School Facilities Board	575,787	194,612			
Other revenues	13,781,898	15,198,720	12,453,233	13,541,359	11,248,795
Total state sources	<u>86,833,987</u>	<u>81,450,495</u>	<u>80,211,478</u>	<u>81,972,513</u>	<u>73,099,669</u>
<b>Local sources:</b>					
Property taxes	186,722,575	182,509,806	171,878,884	176,399,429	171,665,177
County aid	4,851,441	4,674,119	5,312,389	4,797,831	4,840,144
Food service sales	2,008,117	1,875,803	2,157,633	2,131,409	2,372,978
Investment income	1,203,268	995,233	775,901	679,495	770,650
Other revenues	16,863,194	16,822,890	15,965,015	15,847,526	14,965,520
Total local sources	<u>211,648,595</u>	<u>206,877,851</u>	<u>196,089,822</u>	<u>199,855,690</u>	<u>194,614,469</u>
<b>Total revenues</b>	<u>\$ 324,351,131</u>	<u>\$ 312,442,015</u>	<u>\$ 300,259,797</u>	<u>\$ 306,896,990</u>	<u>\$ 296,253,721</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><b>2022</b></u>	<u><b>2021</b></u>	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 169,747,357	\$ 155,714,281	\$ 153,821,044	\$ 153,406,570	\$ 138,559,685
Support services - students and staff	50,484,704	43,123,575	41,772,916	37,751,467	34,465,868
Support services - administration	24,738,358	24,350,465	24,315,128	22,276,578	20,491,721
Operation and maintenance of plant services	35,779,407	38,047,711	34,985,347	34,629,223	33,777,276
Student transportation services	9,907,829	7,560,329	9,675,552	10,675,529	9,931,788
Operation of non-instructional services	17,175,698	12,372,413	15,461,421	15,812,646	15,094,902
Capital outlay	73,582,479	85,692,415	42,904,260	62,233,161	47,644,270
Debt service -					
Interest and fiscal charges	14,860,848	14,910,159	13,382,672	13,506,182	10,308,675
Principal retirement	40,340,000	39,235,000	42,515,000	39,031,111	43,571,111
Bond issuance costs	527,964	715,448	463,461	412,866	369,352
<b>Total expenditures</b>	<u><u>\$ 437,144,644</u></u>	<u><u>\$ 421,721,796</u></u>	<u><u>\$ 379,296,801</u></u>	<u><u>\$ 389,735,333</u></u>	<u><u>\$ 354,214,648</u></u>
Expenditures for capitalized assets	\$ 50,454,647	\$ 64,858,150	\$ 30,732,869	\$ 42,158,997	\$ 34,674,754
Debt service as a percentage of noncapital expenditures	14%	15%	16%	15%	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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 142,190,748	\$ 130,572,068	\$ 132,259,807	\$ 131,410,651	\$ 132,506,658
Support services - students and staff	35,886,509	34,325,453	33,623,605	34,616,845	34,631,902
Support services - administration	20,390,252	20,105,209	19,964,090	19,278,445	18,370,419
Operation and maintenance of plant services	32,692,651	31,841,108	31,138,602	31,905,120	31,426,499
Student transportation services	10,251,913	9,754,779	10,394,959	10,198,125	10,021,376
Operation of non-instructional services	15,617,589	14,657,815	14,352,093	13,818,862	12,883,933
Capital outlay	48,602,598	44,851,317	49,958,513	62,150,444	69,606,520
Debt service -					
Interest and fiscal charges	10,078,540	10,734,748	11,437,909	12,646,790	12,232,493
Principal retirement	44,130,000	42,965,000	42,610,000	41,955,000	41,595,000
Bond issuance costs	273,611	287,080	485,479	325,568	275,338
<b>Total expenditures</b>	<u>\$ 360,114,411</u>	<u>\$ 340,094,577</u>	<u>\$ 346,225,057</u>	<u>\$ 358,305,850</u>	<u>\$ 363,550,138</u>
Expenditures for capitalized assets	\$ 32,542,522	\$ 30,817,787	\$ 35,562,424	\$ 48,233,501	\$ 53,028,117
Debt service as a percentage of noncapital expenditures	17%	17%	17%	18%	17%

**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>2022</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (29,609,463)	\$ (83,857,164)	\$ (22,638,129)	\$ (45,577,711)	\$ (34,951,106)
<b>Other financing sources (uses):</b>					
General obligation bonds issued	43,300,000	69,760,000	50,075,000	53,310,000	49,885,000
Refunding bonds issued	33,555,000				
Premium on sale of bonds	12,395,455	11,401,278	8,286,490	6,608,441	6,464,378
Transfers in	4,550,548	4,567,956	2,941,157	5,557,844	2,670,656
Transfers out	(4,550,548)	(4,567,956)	(2,941,157)	(5,557,844)	(2,670,656)
Payment to refunded bond escrow agent	(39,581,737)				
Proceeds from sale of capital assets	138,792	273,747	83,268	95,128	79,259
Total other financing sources (uses)	<u>49,807,510</u>	<u>81,435,025</u>	<u>58,444,758</u>	<u>60,013,569</u>	<u>56,428,637</u>
<b>Changes in fund balances</b>	<u>\$ 20,198,047</u>	<u>\$ (2,422,139)</u>	<u>\$ 35,806,629</u>	<u>\$ 14,435,858</u>	<u>\$ 21,477,531</u>
	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (35,763,280)	\$ (27,652,562)	\$ (45,965,260)	\$ (51,408,860)	\$ (67,296,417)
<b>Other financing sources (uses):</b>					
General obligation bonds issued	33,870,000	36,700,000	49,000,000	50,000,000	50,000,000
Refunding bonds issued			21,325,000		
Premium on sale of bonds	4,329,143	1,510,651	3,823,129	2,312,061	1,733,177
Transfers in	2,192,849	2,628,641	3,387,393	4,083,070	3,543,196
Transfers out	(2,192,849)	(2,628,641)	(3,387,393)	(4,083,070)	(3,543,196)
Payment to refunded bond escrow agent			(22,732,927)		
Proceeds from sale of capital assets				406,864	
Total other financing sources (uses)	<u>38,199,143</u>	<u>38,210,651</u>	<u>51,415,202</u>	<u>52,718,925</u>	<u>51,733,177</u>
<b>Changes in fund balances</b>	<u>\$ 2,435,863</u>	<u>\$ 10,558,089</u>	<u>\$ 5,449,942</u>	<u>\$ 1,310,065</u>	<u>\$ (15,563,240)</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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Commercial, Industrial, Utilities and Mining	\$ 1,320,560,604	\$ 1,256,311,730	\$ 1,237,428,747	\$ 1,161,051,809	\$ 1,163,354,144
Agricultural and Vacant	69,140,173	64,441,179	75,632,028	63,202,501	51,725,695
Residential (Owner Occupied)	1,820,034,223	1,714,406,058	1,612,344,049	1,548,904,062	1,466,187,922
Residential (Rental)	800,166,642	745,942,822	679,021,213	604,613,944	570,367,257
Historical Property	4,875,547	4,707,655	4,534,541	3,140,774	4,698,080
Certain Government Property Improvements	248,938	252,360	247,099	287,161	89,974
<b>Total</b>	<b>\$ 4,015,026,127</b>	<b>\$ 3,786,061,804</b>	<b>\$ 3,609,207,677</b>	<b>\$ 3,381,200,251</b>	<b>\$ 3,256,423,072</b>
Gross Full Cash Value	\$ 51,251,377,516	\$ 47,953,157,272	\$ 44,044,671,383	\$ 40,316,011,325	\$ 38,147,507,007
Ratio of Net Limited Assessed Value to Gross Full Cash Value	8%	8%	8%	8%	9%
Total Direct Rate	5.81	5.85	6.39	6.56	6.55

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Commercial, Industrial, Utilities and Mining	\$ 1,103,973,845	\$ 1,078,328,162	\$ 1,127,060,533	\$ 1,113,412,414	\$ 1,226,943,255
Agricultural and Vacant	51,386,012	54,123,587	56,681,871	55,133,701	65,853,180
Residential (Owner Occupied)	1,391,806,809	1,332,059,607	1,285,928,160	1,226,701,891	1,356,941,623
Residential (Rental)	529,729,163	476,405,056	418,293,830	351,922,163	270,120,520
Historical Property	4,742,175	5,496,946	5,455,787	5,155,041	5,574,079
Certain Government Property Improvements	52,550	50,047	47,664	40,179	40,652
<b>Total</b>	<b>\$ 3,081,690,554</b>	<b>\$ 2,946,463,405</b>	<b>\$ 2,893,467,845</b>	<b>\$ 2,752,365,389</b>	<b>\$ 2,925,473,309</b>
Gross Full Cash Value	\$ 35,263,747,444	\$ 31,995,010,889	\$ 27,055,583,422	\$ 24,941,121,629	\$ 26,047,199,391
Ratio of Net Limited Assessed Value to Gross Full Cash Value	9%	9%	11%	11%	11%
Total Direct Rate	6.97	6.99	6.78	7.15	6.59

**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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Commercial, Industrial, Utilities and Mining	\$ 1,743,340,681	\$ 1,658,875,827	\$ 1,558,878,996	\$ 1,459,857,260	\$ 1,422,676,696
Agricultural and Vacant	121,338,289	110,539,714	122,314,167	101,096,253	91,063,850
Residential (Owner Occupied)	2,286,240,057	2,125,947,235	1,969,562,644	1,868,687,574	1,774,760,154
Residential (Rental)	1,134,608,086	1,033,940,695	917,979,750	790,785,624	731,053,749
Historical Property	4,935,030	4,853,180	4,728,250	3,433,750	4,698,080
Certain Government Property Improvements	254,345	262,036	253,499	1,608,804	121,301
<b>Total</b>	<b>\$ 5,290,716,488</b>	<b>\$ 4,934,418,687</b>	<b>\$ 4,573,717,306</b>	<b>\$ 4,225,469,265</b>	<b>\$ 4,024,373,830</b>
Gross Full Cash Value	\$ 51,251,377,516	\$ 47,953,157,272	\$ 44,044,671,383	\$ 40,316,011,325	\$ 38,147,507,007
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10%	10%	10%	10%	11%
Estimated Net Full Cash Value	\$ 43,323,182,930	\$ 40,209,166,797	\$ 37,193,300,911	\$ 34,487,911,488	\$ 32,664,102,652
Total Direct Rate	5.81	5.85	6.39	6.56	6.55

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Commercial, Industrial, Utilities and Mining	\$ 1,275,327,014	\$ 1,155,403,818	\$ 1,139,846,461	\$ 1,118,168,192	\$ 1,230,005,626
Agricultural and Vacant	76,127,501	64,328,057	59,946,786	56,373,406	66,718,430
Residential (Owner Occupied)	1,708,261,856	1,630,720,614	1,325,827,762	1,229,206,061	1,358,066,518
Residential (Rental)	663,613,616	580,245,112	439,331,824	356,019,012	270,510,858
Historical Property	4,788,364	6,319,334	5,807,154	5,613,049	5,653,162
Certain Government Property Improvements	62,758	52,912	47,664	40,179	40,652
<b>Total</b>	<b>\$ 3,728,181,109</b>	<b>\$ 3,437,069,847</b>	<b>\$ 2,970,807,651</b>	<b>\$ 2,765,419,899</b>	<b>\$ 2,930,995,246</b>
Gross Full Cash Value	\$ 35,263,747,444	\$ 31,995,010,889	\$ 27,055,583,422	\$ 24,941,121,629	\$ 26,047,199,391
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	11%	11%	11%	11%	11%
Estimated Net Full Cash Value	\$ 30,512,649,606	\$ 27,954,500,602	\$ 23,439,918,076	\$ 21,359,921,813	\$ 22,274,487,606
Total Direct Rate	6.97	6.99	6.78	7.15	6.59

**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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Commercial, Industrial, Utilities and Mining	18 %	18 %	18 %	18 %	18 %
Agricultural and Vacant	15	15	15	15	15
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	15	15	15	14	15

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Commercial, Industrial, Utilities and Mining	18 %	19 %	19 %	20 %	20 %
Agricultural and Vacant	15	16	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	14	15	16	15	15

**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**

**Overlapping Rates**

Fiscal Year Ended June 30	State Equalization	County	Flood Control District	Community College District	Central Arizona Water	City of Phoenix	City of Scottsdale	Western Maricopa Education Center District No. 402	District Direct Rates		
									Primary	Secondary	Total
2022	0.43	1.35	0.18	1.23	0.14	2.12	1.01	0.16	3.74	2.06	5.81
2021	0.44	1.40	0.18	1.29	0.14	2.13	1.03	0.17	3.76	2.09	5.85
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	6.56
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

The total overlapping property tax rate for property owners within the District have the following ranges per \$100 of net limited assessed property valuation by year, depending upon the specific taxing jurisdictions which overlap the property.

	<u>Maximum</u>	<u>Minimum</u>
2022	11.76	10.65
2021	11.97	10.87
2020	12.58	11.49
2019	12.78	11.74
2018	12.86	11.79
2017	13.28	12.24
2016	12.91	12.14
2015	12.56	11.99
2014	12.83	12.30
2013	12.00	11.41

**Source:** The source of this information is the *State and County Abstract of the Assessment Roll* , Arizona Department of Revenue and *Property Tax Rates and Assessed Values* , Arizona Tax Research Association.

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

<b>Taxpayer</b>	<b>2022</b>		<b>2013</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	\$ 71,159,030	1.68 %	\$ 69,305,057	2.10 %
Host Kierland LP	63,927,591	1.51	46,239,618	1.40
JW Marriott Desert Ridge Resort & Spa	32,183,377	0.76		
Scottsdale Princess Partnership	26,578,641	0.63	21,788,332	0.66
Vestar DRM-OPCO LLC	22,680,697	0.54	20,650,161	0.63
Paradise Valley Mall SPE LLC	22,333,799	0.53	17,291,324	0.52
Thomson Property Tax Services	19,273,610	0.46	13,251,456	0.40
VHS Acquisition Subsidiary No. 1 Inc.	18,169,104	0.43	14,414,238	0.44
Phoenix High ground LLC	17,637,089	0.42		
Car Chauncey LLC	17,343,503	0.41		
SDQ Fee LLC			14,426,952	0.44
JW Marriott Desert/CNL			29,233,421	0.89
Pacific Promenate LLC			12,887,405	0.39
<b>Total</b>	<b>\$ 311,286,441</b>	<b>7.37 %</b>	<b>\$ 259,487,964</b>	<b>7.87 %</b>

**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
2022	\$ 234,857,569	\$ 224,901,671	95.76 %	\$	\$ 224,901,671	95.76 %
2021	224,322,346	214,610,285	95.67	9,663,418	224,273,703	99.98
2020	229,870,367	218,955,770	95.25	10,823,301	229,779,071	99.96
2019	223,389,541	213,556,950	95.60	9,795,761	223,352,711	99.98
2018	213,770,990	201,533,693	94.28	12,223,404	213,757,097	99.99
2017	214,611,698	204,031,046	95.07	10,569,808	214,600,854	99.99
2016	205,875,879	203,065,319	98.63	2,797,462	205,862,781	99.99
2015	195,496,054	185,610,048	94.94	9,876,423	195,486,471	100.00
2014	197,332,809	187,244,840	94.89	10,083,066	197,327,906	100.00
2013	192,656,306	182,985,070	94.98	9,659,501	192,644,571	99.99

**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	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Percentage of Personal Income	
2022	\$ 422,233,646	\$ 17,733,469	\$ 404,500,177	0.79 %	\$ 1,486	\$ 422,233,646	0.82 %	\$ 1,551	0.16 %	
2021	415,674,427	22,997,697	392,676,730	0.82	1,469	415,674,427	0.87	1,555	0.17	
2020	380,077,633	28,563,793	351,513,840	0.80	1,307	380,077,633	0.86	1,413	0.17	
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	

**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, 2022**

<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	\$ 184,715,000	8.24 %	\$ 15,220,516
Maricopa County Special Healthcare District	640,695,000	8.24	52,793,268
City of Phoenix	918,905,000	18.90	173,673,045
City of Scottsdale	448,225,000	17.47	78,304,908
Western Maricopa Education Center	144,220,000	22.20	32,016,840
Subtotal, Overlapping Debt			<u>352,008,577</u>
Direct:			
Paradise Valley Unified School District No. 69			<u>422,233,646</u>
Total Direct and Overlapping Governmental Activities Debt			<u>\$ 774,242,223</u>

**DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS**

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation		7.73 %
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 2,795	
As a Percentage of Net Limited Assessed Valuation		14.38 %
As a Percentage of Gross Full Cash Value		1.48 %

**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 2022:**

Net full cash assessed valuation	\$ 5,290,716,488
Debt limit (30% of assessed value)	1,587,214,946
Debt applicable to limit	414,304,376
Monies held in escrow for QSCB	<u>(15,023,295)</u>
Legal debt margin	<u><u>\$ 1,187,933,865</u></u>

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Debt Limit	\$ 1,587,214,946	\$ 1,480,325,606	\$ 1,372,115,192	\$ 1,267,640,780	\$ 1,207,312,149
Total net debt applicable to limit	<u>399,281,081</u>	<u>391,536,673</u>	<u>361,479,242</u>	<u>344,915,226</u>	<u>331,165,000</u>
Legal debt margin	<u><u>\$ 1,187,933,865</u></u>	<u><u>\$ 1,088,788,933</u></u>	<u><u>\$ 1,010,635,950</u></u>	<u><u>\$ 922,725,554</u></u>	<u><u>\$ 876,147,149</u></u>
Total net debt applicable to the limit as a percentage of debt limit	25%	26%	26%	27%	27%
	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
Debt Limit	\$ 1,118,454,333	\$ 1,031,120,954	\$ 891,242,295	\$ 829,625,970	\$ 879,298,574
Total net debt applicable to limit	<u>319,195,000</u>	<u>324,660,000</u>	<u>330,570,000</u>	<u>323,525,000</u>	<u>315,120,000</u>
Legal debt margin	<u><u>\$ 799,259,333</u></u>	<u><u>\$ 706,460,954</u></u>	<u><u>\$ 560,672,295</u></u>	<u><u>\$ 506,100,970</u></u>	<u><u>\$ 564,178,574</u></u>
Total net debt applicable to the limit as a percentage of debt limit	29%	31%	37%	39%	36%

**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 2022:**

Net full cash assessed value	\$ 5,290,716,488
Debt limit (20% of assessed value)	1,058,143,298
Debt applicable to limit	414,304,376
Monies held in escrow for QSCB	<u>(15,023,295)</u>
Legal debt margin	<u><u>\$ 658,862,217</u></u>

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Debt Limit	\$ 1,058,143,298	\$ 986,883,737	\$ 914,743,461	\$ 845,093,853	\$ 804,874,766
Total net debt applicable to limit	<u>399,281,081</u>	<u>391,536,673</u>	<u>361,479,242</u>	<u>344,915,226</u>	<u>331,165,000</u>
Legal debt margin	<u><u>\$ 658,862,217</u></u>	<u><u>\$ 595,347,064</u></u>	<u><u>\$ 553,264,219</u></u>	<u><u>\$ 500,178,627</u></u>	<u><u>\$ 473,709,766</u></u>
Total net debt applicable to the limit as a percentage of debt limit	38%	40%	40%	41%	41%
	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
Debt Limit	\$ 745,636,222	\$ 687,413,969	\$ 594,161,530	\$ 293,099,525	\$ 329,452,570
Total net debt applicable to limit	<u>319,195,000</u>	<u>296,745,000</u>	<u>292,050,000</u>	<u>224,185,000</u>	<u>188,535,000</u>
Legal debt margin	<u><u>\$ 426,441,222</u></u>	<u><u>\$ 390,668,969</u></u>	<u><u>\$ 302,111,530</u></u>	<u><u>\$ 68,914,525</u></u>	<u><u>\$ 140,917,570</u></u>
Total net debt applicable to the limit as a percentage of debt limit	43%	43%	49%	76%	57%

**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>
2021	4,507,419	\$ 268,713,717	\$ 59,759	4.5 %	272,248
2020	4,439,220	245,077,753	53,521	10.3	267,352
2019	4,367,835	222,943,072	49,704	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

**Sources:** The source of the "Personal Income" and "Per Capita" information is the Bureau of Economic Analysis. The source of the "Population" and "Unemployment Rate" information is 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>2022</u>		<u>2013</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
American Express	6,120	0.34 %	2,500	0.15 %
Mayo Clinic	4,550	0.25	3,194	0.19
Paradise Valley Unified School District 69	4,180	0.23	3,568	0.21
Vanguard	1,930	0.11	1,899	0.11
Nationwide	1,440	0.08	-	-
Republic Services	1,000	0.06	-	-
Frys Food Stores	980	0.05	815	0.05
Costco Wholesale	960	0.05	-	-
Axon Enterprise Inc	940	0.05	-	-
Favorite Hlthcare Staffing Inc	930	0.05	-	-
Walmart	930	0.05	815	0.05
Home Depot	900	0.05	-	-
HonorHealth	760	0.04	-	-
Discount Tire Co	760	0.04	-	-
Sprouts Farmers Market	750	0.04	-	-
Marriott	740	0.04	1,045	0.06
Go Daddy Software Inc	720	0.04	-	-
The Fairmont Scottsdale Princess	700	0.04	915	0.05
Choice Hotels International Inc	610	0.03	-	-
PSCU Financial Services	470	0.03	770	0.05
City of Phoenix	-	-	942	0.06
Total	<u>30,370</u>	<u>1.67 %</u>	<u>16,463</u>	<u>0.98 %</u>
Total employment	<u>1,797,000</u>		<u>1,710,000</u>	

**Sources:** The sources of the information is the 2021 and 2013 MAG Employer Databases.

**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>				
	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>
<b>Supervisory</b>					
Consultants/supervisors of instruction	46	51	53	52	53
Principals	42	42	43	43	43
Assistant principals	19	19	19	19	19
Total supervisory	<u>107</u>	<u>112</u>	<u>115</u>	<u>114</u>	<u>115</u>
<b>Instruction</b>					
Teachers	1,808	1,783	1,627	1,650	1,687
Other professionals (instructional)	154	184	188	165	174
Aides	323	322	350	416	367
Total instruction	<u>2,285</u>	<u>2,289</u>	<u>2,165</u>	<u>2,231</u>	<u>2,228</u>
<b>Student Services</b>					
Nurses	42	42	39	43	35
Counselors/Advisors	46	46	39	33	33
Librarians	13	13	12	12	12
Other student service workers	28	28	36	21	31
Total student services	<u>129</u>	<u>129</u>	<u>126</u>	<u>109</u>	<u>111</u>
<b>Support and Administration</b>					
Other classified	875	890	917	924	952
Total support and administration	<u>875</u>	<u>890</u>	<u>917</u>	<u>924</u>	<u>952</u>
<b>Total</b>	<b><u>3,396</u></b>	<b><u>3,420</u></b>	<b><u>3,323</u></b>	<b><u>3,378</u></b>	<b><u>3,406</u></b>

(Continued)

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Supervisory</b>					
Consultants/supervisors of instruction	59	56	65	53	46
Principals	43	44	44	44	46
Assistant principals	20	20	20	19	20
Total supervisory	<u>122</u>	<u>120</u>	<u>129</u>	<u>116</u>	<u>112</u>
<b>Instruction</b>					
Teachers	1,762	1,633	1,723	1,723	1,791
Other professionals (instructional)	184	159	160	167	
Aides	363	369	377	352	350
Total instruction	<u>2,309</u>	<u>2,161</u>	<u>2,260</u>	<u>2,242</u>	<u>2,141</u>
<b>Student Services</b>					
Nurses	45	40	47		
Counselors/Advisors	33	33	36		
Librarians	14	17	19		
Other student service workers	22	39	22	103	77
Total student services	<u>114</u>	<u>129</u>	<u>124</u>	<u>103</u>	<u>77</u>
<b>Support and Administration</b>					
Other classified	971	943	905	1,105	1,079
Total support and administration	<u>971</u>	<u>943</u>	<u>905</u>	<u>1,105</u>	<u>1,079</u>
<b>Total</b>	<u><u>3,516</u></u>	<u><u>3,353</u></u>	<u><u>3,418</u></u>	<u><u>3,566</u></u>	<u><u>3,409</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>
2022	27,312	\$ 307,833,353	\$ 11,271	11.65 %	\$ 382,822,887	\$ 14,017	10.18 %	1,808	15.1	29.3 %
2021	27,853	281,168,774	10,095	6.30	354,324,321	12,721	10.90	1,783	15.6	31.4
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

**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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b><u>Schools</u></b>										
<b><u>Elementary</u></b>										
Buildings	132	125	125	125	125	125	117	117	117	117
Square feet	2,448,801	2,392,799	2,392,799	2,392,799	2,366,799	2,366,799	2,373,034	2,373,034	2,373,034	2,373,034
Capacity	34,597	34,146	34,146	34,146	34,146	34,146	34,146	34,146	34,146	34,146
Enrollment	13,827	13,769	15,504	15,648	15,327	16,685	17,225	17,371	17,736	18,293
<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	767,275	767,275	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	4,469	4,471	4,832	4,785	4,803	4,934	4,781	4,833	4,842	4,847
<b><u>High</u></b>										
Buildings	61	61	61	61	61	61	52	52	53	52
Square feet	1,768,120	1,768,120	1,768,120	1,768,120	1,768,120	1,768,120	1,718,659	1,718,659	1,691,620	1,662,596
Capacity	17,227	17,227	17,227	17,227	17,227	17,227	17,227	17,227	17,227	16,503
Enrollment	9,676	9,758	9,945	10,070	10,060	9,866	9,837	9,978	10,303	12,494
<b><u>Administrative</u></b>										
Buildings	21	21	21	21	21	21	11	11	11	11
Square feet	261,857	261,857	261,857	261,857	316,857	316,857	212,691	112,691	112,691	212,691
<b><u>Transportation</u></b>										
Garages	1	1	1	1	1	1	1	1	1	1
Buses	155	155	155	159	165	171	174	175	175	166
<b><u>Athletics</u></b>										
Football fields	10	10	10	10	12	12	12	12	12	12
Soccer fields	13	12	12	12	44	44	44	44	44	44
Running tracks	12	12	12	12	44	44	44	44	44	44
Baseball/softball	71	71	71	71	88/90	88/90	88/90	88/90	88/90	88/90
Playgrounds	87	85	85	85	37	37	36	36	35	35

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