
BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31

Comprehensive Annual Financial Report

for the Fiscal Year Ended June 30, 2016



BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31

PHOENIX, ARIZONA

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Issued by:
Business and Finance Department

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31

TABLE OF CONTENTS

<u>INTRODUCTORY SECTION</u>	<u>Page</u>
Letter of Transmittal	1
ASBO Certificate of Excellence	7
GFOA Certificate of Achievement	8
Organizational Chart	9
List of Principal Officials	10
 <u>FINANCIAL SECTION</u>	
INDEPENDENT AUDITOR’S REPORT	13
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)	17
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Position	30
Statement of Activities	31
Fund Financial Statements:	
Balance Sheet – Governmental Funds	34
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	37
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	38
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	40
Statement of Assets and Liabilities – Fiduciary Funds	41
Notes to Financial Statements	42

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31

TABLE OF CONTENTS

<u>FINANCIAL SECTION</u>	<u>Page</u>
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues Expenditures and Changes in Fund Balances – Budget and Actual:	
General Fund	64
Classroom Site Fund	65
Schedule of Proportionate Share of the Net Pension Liability	66
Schedule of Contributions	66
Notes to Required Supplementary Information	67
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES	
Governmental Funds:	
Combining Balance Sheet – All Non-Major Governmental Funds – By Fund Type	72
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – All Non-Major Governmental Funds – By Fund Type	73
Special Revenue Funds:	
Combining Balance Sheet	76
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	80
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	84
Debt Service Fund:	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	100
Capital Projects Funds:	
Combining Balance Sheet	102
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	104

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31

TABLE OF CONTENTS

<u>FINANCIAL SECTION</u>	<u>Page</u>
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES	
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	106
Agency Funds:	
Combining Statement of Assets and Liabilities	114
Combining Statement of Changes in Assets and Liabilities	115
<u>STATISTICAL SECTION</u>	
Financial Trends:	
Net Position by Component	118
Expenses, Program Revenues, and Net (Expense)/Revenue	119
General Revenues and Total Changes in Net Position	121
Fund Balances – Governmental Funds	123
Governmental Funds Revenues	125
Governmental Funds Expenditures and Debt Service Ratio	127
Other Financing Sources and Uses and Net Changes in Fund Balances – Governmental Funds	129
Revenue Capacity:	
Net Limited Assessed Value and Full Cash Value of Taxable Property by Class	130
Net Full Cash Assessed Value of Taxable Property by Class	131
Property Tax Assessment Ratios	132
Direct and Overlapping Property Tax Rates	133
Principal Property Taxpayers	134

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31

TABLE OF CONTENTS

<u>STATISTICAL SECTION</u>	<u>Page</u>
Property Tax Levies and Collections	135
Debt Capacity:	
Outstanding Debt by Type	136
Direct and Overlapping Governmental Activities Debt	137
Direct and Overlapping General Bonded Debt Ratios	137
Legal Debt Margin Information	138
Demographic and Economic Information:	
County-Wide Demographic and Economic Statistics	139
Principal Employers	140
Operating Information:	
Full-Time Equivalent District Employees by Type	141
Operating Statistics	143
Capital Assets Information	144

(This page intentionally left blank)

INTRODUCTORY SECTION

(This page intentionally left blank)



December 23, 2016

Citizens and Governing Board
Balsz Elementary School District No. 31
4825 East Roosevelt Street
Phoenix, Arizona 85008

State law mandates that school districts required to undergo an annual single audit publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States by a certified public accounting firm licensed in the State of Arizona. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Balsz Elementary School District No. 31 (District) for the fiscal year ended June 30, 2016.

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, 2016, 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, 2016, 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.

Dr. Jeffrey J. Smith, Superintendent
4825 East Roosevelt Street, Phoenix, Arizona 85008 | 602.629.6400 phone | 602.629.6470 fax

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 report not only on the fair presentation of the financial statements, but also on the District's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in a separately issued Single Audit Reporting Package.

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

PROFILE OF THE DISTRICT

The District, founded in 1890, is one of 58 public school districts located in Maricopa County, Arizona. It provides a program of public education from kindergarten through grade eight, with an estimated current enrollment of 2,500 students.

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

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

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

The Balsz Elementary School District No. 31 has two K-6 schools (Crockett and Brunson-Lee), and two K-8 schools (Balsz and Griffith). The community surrounding the District is characterized by low income and government-subsidized housing, and is located in an identified high crime area in the City of Phoenix. The student population is ethnically diverse and tends to be highly mobile. The vast majority of the students served in the District qualify for the Free and Reduced Lunch Program. Students in the District attend high school in the large Phoenix Union High School District, typically at Camelback High School.

MAJOR INITIATIVES

The motto of the Balsz Elementary School District No. 31 is “Children First”. To achieve this goal, the District provides a full range of educational services; regular education, special education, English as a second language, and gifted education, and offers an extended learning calendar with two hundred days of instruction. The District’s curriculum is aligned with the Arizona Department of Education’s Standards and Performance objectives documents and meets or exceeds all of the requirements set by State law. The student assessment program aligns with the State standards. Each school has developed a consolidated plan for raising student achievement. The Balsz Elementary School District No. 31 is committed to providing quality programs for all of its students.

Programs

- At-Risk Preschool/Head Start
- National Board Certified Teachers
- USDA Healthier Schools Fresh Fruits and Vegetables Program
- Full-Day Kindergarten
- Title I Consolidated Plans
- After School Extracurricular Activities
- Cultural Clubs
- Peer Mediation
- National Junior Honor Society
- Student Council/Student Publications
- Valley Big Brothers/Big Sisters on site
- City of Phoenix Parks and Recreation

Major Partnerships

- ON Semi-Conductor
- Ellis Center
- Desert Schools Credit Union
- Arizona State University
- Grand Canyon University
- Rodel Foundation
- Balsz Community Education Foundation
- Valley of the Sun United Way
- Orangedale Neighborhood Association
- Assistance league
- Jobs for Arizona Graduates (JAG)
- West Ed

- Maricopa County Educational Service Agency
- Experience Matters
- Valley of the Sun United Way
- Gateway Community College
- University of Phoenix
- Discovery Triangle
- Scottsdale Health Care
- Educare
- The Tooth Doctor
- Phoenix Country Day School

In the prior year, the District completed energy savings initiatives, specifically chiller upgrades and energy management system enhancements. The goal was to reduce energy consumption that will translate into operational savings in the Maintenance and Operation budget.

The annual expenditure budget serves as the foundation for the District’s financial planning and control. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual expenditure budget approved by the District’s Governing Board.

The expenditure budget is prepared by fund for all Governmental Funds, and includes function and object code-detail for the General Fund and some Special Revenue and Capital Projects Funds. The legal level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established at the individual fund level for all funds. Funds that are not required to legally adopt a budget may have 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 the necessary revenue is earned. The District is not required to prepare an annual budget of revenue; therefore, a deficit budgeted fund balance may be presented. However, this does not affect the District’s ability to expend monies.

FACTORS AFFECTING FINANCIAL CONDITION

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

Local Economy. The Phoenix metropolitan area and the rest of Maricopa County have become one of the fastest growing regional markets in the United States. The number of businesses located in the metropolitan Phoenix area is approximately 88,000. This growth has been stimulated by a combination of warm climate, a substantial well educated labor pool, a wide range of support industries, and a governmental climate that is supportive of economic growth and investment.

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

Maricopa County is located in the south-central portion of Arizona and encompasses an area of approximately 9,226 square miles. Its boundaries encompass the cities of Phoenix, Scottsdale, Mesa, Tempe, Glendale, Chandler, and such towns as Gilbert, Paradise Valley and Fountain Hills. Maricopa County is currently the nation's fourth largest county in terms of population size and the 14th in land area. The County's 2015 population is 4.1 million. Maricopa County has a very wide range of economic sectors supporting its substantial growth. Maricopa County has, for some time, enjoyed an unemployment rate that was somewhat lower than the national average.

Service is the largest employment sector in the County, partly fueled by the \$2+ billion per year tourist industry. The County has excellent accommodations, diverse cultural and recreational activities, and a favorable climate attracting millions to the area annually. Wholesale and retail trade is the second largest employment category, employing over a quarter million people.

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

Long-Term Financial Planning. The Balsz Elementary School District No. 31 encompasses approximately 6 square miles in the central east portion of Phoenix. The District is located along two designated improvement zones - one running east and west along Van Buren Street and one running north and south along 44th Street.

The average age of the five schools is approximately 46 years. With the exception of Brunson-Lee, built in 2003, all of the schools were extensively remodeled in 1996-97. The facilities have been well maintained and are reviewed comprehensively at least once each year. In November 2011 voters approved a twenty one million dollar bond program. The first sale of \$15.5 million of bonds closed on January 26, 2012. These funds will be used to replace aging air conditioning systems, enhance campus security, purchase technology, and new school buses. The remaining \$5.5 million of authorization was sold in the fall of 2013 and was designated for a Boy's and Girl's Club which was constructed on the Balsz Elementary campus. During the 2015-16 fiscal year, the bond program of 2011 is nearing completion. The District completed a facility analysis of infrastructure and is planning for the next bond election in 2017 to carry the District into 2022 and beyond. This bond will complete the energy management program and will address various campus improvements throughout the District.

The District has also made technology a major focus, along with supporting the District's goals of increasing student achievement, providing quality professional development opportunities, providing a safe school environment, recruiting and retaining highly qualified staff and actively seeking parent and community involvement.

While the District is facing some new challenges, the goals will be used to direct District resources.

AWARDS AND ACKNOWLEDGMENTS

Awards. The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2015. This was the 21st consecutive year that the District has received this prestigious award. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2015. In order to be awarded these certificates, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

These certificates are valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the programs' requirements and we are submitting it to ASBO and GFOA to determine its eligibility for the fiscal year ended June 30, 2016 certificates.

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

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

Respectfully submitted,



Dr. Jeffrey J. Smith
Superintendent



Tim R. Leedy
Director of Business Services



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting Award
is presented to

Balsz Elementary School District No. 31

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2015.**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.



Brenda Burkett

Brenda R. Burkett, CPA, CSBA, SFO
President

John D. Musso

John D. Musso, CAE, RSBA
Executive Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

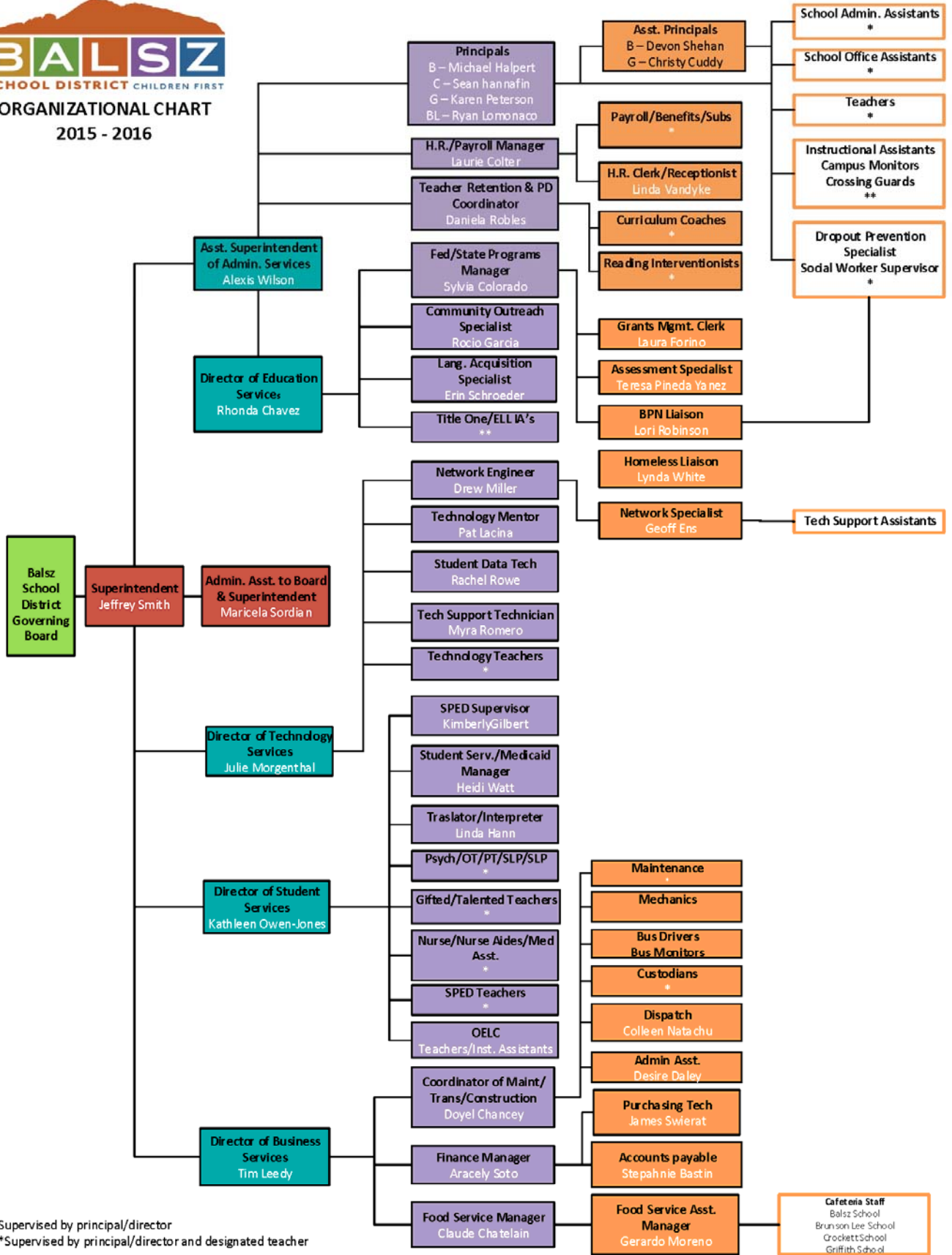
Presented to

**Balsz Elementary School
District No. 31, Arizona**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO



*Supervised by principal/director
**Supervised by principal/director and designated teacher

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31

LIST OF PRINCIPAL OFFICIALS

GOVERNING BOARD

Derrence B. White
President

Channel Powe
Clerk

Todd Schwarz
Member

Vic Grace
Member

Gail Q. Knight
Member

ADMINISTRATIVE STAFF

Dr. Jeffrey J. Smith
Superintendent

Alexis Wilson
Assistant Superintendent of Administrative Services

Tim R. Leedy
Director of Business Services

Kathleen Owen-Jones
Director of Student Services

Rhonda Chaves
Director of Education Services

Dr. Julie Morgenthal
Director of Technology Services

FINANCIAL SECTION

(This page intentionally left blank)

INDEPENDENT AUDITOR'S REPORT

Governing Board
Balsz Elementary School District No. 31

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Balsz Elementary School District No. 31 (District), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Balsz Elementary School District No. 31, as of June 30, 2016, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 1, the District implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, for the year ended June 30, 2016, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2016, on our consideration of Balsz Elementary School District No. 31's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Balsz Elementary School District No. 31's internal control over financial reporting and compliance.

Heinfeld, Meech & Co., P.C.

Heinfeld, Meech & Co., P.C.
Phoenix, Arizona
December 23, 2016

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

(This page intentionally left blank)

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2016**

As management of the Balsz Elementary School District No. 31 (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, 2016. 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 \$3.2 million, which represents a 12 percent increase from the prior fiscal year.
- General revenues accounted for \$20.4 million in revenue, or 74 percent of all current fiscal year revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$7.3 million or 26 percent of total current fiscal year revenues.
- The District had approximately \$24.4 million in expenses related to governmental activities, a decrease of two percent from the prior fiscal year.
- Among major funds, the General Fund had \$15.8 million in current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$15.1 million in expenditures. The General Fund's fund balance increase of \$1.1 to \$3.1 million at the end of the current fiscal year was primarily due to an increase in property tax rates.

OVERVIEW OF FINANCIAL STATEMENTS

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

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

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2016**

OVERVIEW OF 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 fiduciary funds.

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

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

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2016**

OVERVIEW OF FINANCIAL STATEMENTS

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, Classroom Site, and Debt Service 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.

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

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

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget process 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 Classroom Site Fund as required supplementary information. Schedules for the pension plan have been provided as required supplementary information.

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 exceeded liabilities by \$29.4 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, and vehicles, furniture and equipment), 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.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2016**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2016 and June 30, 2015.

	As of June 30, 2016	As of June 30, 2015
Current and other assets	\$ 11,932,666	\$ 10,937,258
Capital assets, net	55,897,240	56,439,709
Total assets	<u>67,829,906</u>	<u>67,376,967</u>
Deferred outflows	<u>2,156,194</u>	<u>2,900,240</u>
Current and other liabilities	1,020,765	1,171,321
Long-term liabilities	37,087,926	39,452,830
Total liabilities	<u>38,108,691</u>	<u>40,624,151</u>
Deferred inflows	<u>2,526,279</u>	<u>3,512,480</u>
Net position:		
Net investment in capital assets	39,758,473	38,640,803
Restricted	4,818,387	3,795,263
Unrestricted	(15,225,730)	(16,295,490)
Total net position	<u>\$ 29,351,130</u>	<u>\$ 26,140,576</u>

At the end of the current fiscal year, the District reported positive balances in two categories of net position while unrestricted net position reported a deficit of \$15.2 million. The deficit is due to the District's proportionate share of the state pension plan's unfunded liability. The same situation held true for the prior fiscal year.

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

- The principal retirement of \$2.3 million of bonds.
- The addition of \$1.6 million of capital assets.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2016**

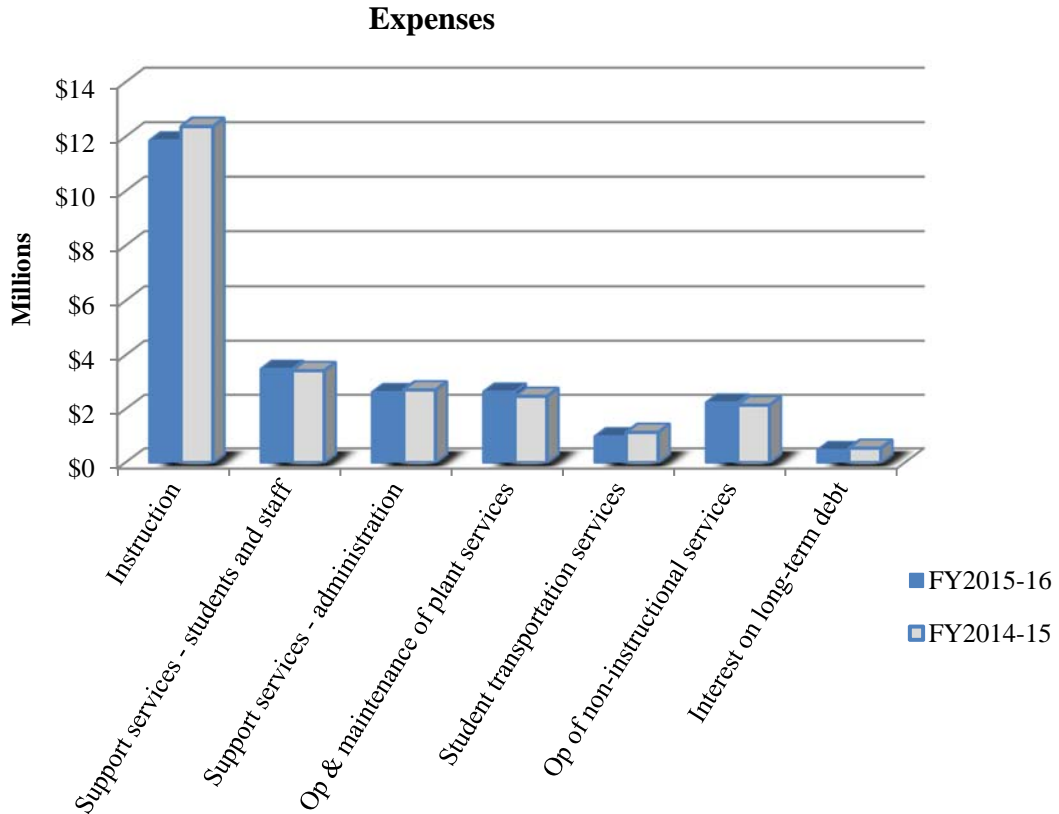
GOVERNMENT-WIDE FINANCIAL ANALYSIS

Changes in net position. The District's total revenues for the current fiscal year were \$27.6 million. The total cost of all programs and services was \$24.4 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2016 and June 30, 2015.

	Fiscal Year Ended June 30, 2016	Fiscal Year Ended June 30, 2015
Revenues:		
Program revenues:		
Charges for services	\$ 488,895	\$ 452,548
Operating grants and contributions	6,443,300	6,010,445
Capital grants and contributions	327,570	622,478
General revenues:		
Property taxes	11,450,479	9,404,115
Investment income	35,198	47,470
Unrestricted county aid	713,015	707,542
Unrestricted state aid	8,045,884	7,949,054
Unrestricted federal aid	110,370	36,098
Total revenues	27,614,711	25,229,750
Expenses:		
Instruction	11,900,412	12,374,299
Support services – students and staff	3,510,039	3,430,901
Support services – administration	2,645,216	2,712,049
Operation and maintenance of plant services	2,653,406	2,474,993
Student transportation services	981,460	1,127,186
Operation of non-instructional services	2,247,788	2,143,825
Interest on long-term debt	465,836	533,336
Total expenses	24,404,157	24,796,589
Changes in net position	3,210,554	433,161
Net position, beginning	26,140,576	25,707,415
Net position, ending	\$ 29,351,130	\$ 26,140,576

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2016**

GOVERNMENT-WIDE FINANCIAL ANALYSIS



The following significant current year transaction has had an impact on the change in net position.

- Increase in property taxes of \$2.0 million due to an increase in property tax rates.

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.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2016**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

	Year Ended June 30, 2016		Year Ended June 30, 2015	
	Total Expenses	Net (Expense)/ Revenue	Total Expenses	Net (Expense)/ Revenue
Instruction	\$ 11,900,412	\$ (8,963,155)	\$ 12,374,299	\$ (9,355,489)
Support services – students and staff	3,510,039	(2,132,564)	3,430,901	(2,040,556)
Support services – administration	2,645,216	(2,645,216)	2,712,049	(2,712,049)
Operation and maintenance of plant services	2,653,406	(2,044,244)	2,474,993	(2,100,965)
Student transportation services	981,460	(981,460)	1,127,186	(1,127,186)
Operation of non-instructional services	2,247,788	88,083	2,143,825	158,463
Interest on long-term debt	465,836	(465,836)	533,336	(533,336)
Total	<u>\$ 24,404,157</u>	<u>\$ (17,144,392)</u>	<u>\$ 24,796,589</u>	<u>\$ (17,711,118)</u>

- The cost of all governmental activities this year was \$24.4 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$7.3 million.
- Net cost of governmental activities of \$17.1 million was financed by general revenues, which are made up primarily of property taxes of \$11.5 million and state aid of \$8.0 million.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

Governmental funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, 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 \$8.1 million, an increase of \$1.3 million, due primarily to the utilization of bond proceeds on voter approved projects.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2016**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The General Fund comprises 39 percent of the total fund balance. All of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District. The fund balance increased \$1.1 million to \$3.1 million as a result of increases in assessed values and an increase in the secondary tax rate.

The Classroom Site Fund comprises 26 percent of total fund balance. The increase in fund balance of \$335,358 was due to an increase in expenditures as the result of an increase in the Proposition 301 distribution to teachers.

The Debt Service Fund's fund balance increase of \$44,243 to \$103,481 is due to an increase in the secondary tax rate.

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 \$111,495 decrease, or less than one percent, which is not significant.

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

- The favorable variance of \$316,677 in support services-administration expenditures was a result of the movement of salaries to the Indirect Cost Fund.
- The favorable variance of \$261,260 in student transportation services expenditures was a result of unfilled transportation positions.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2016**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At year end, the District had invested \$76.9 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$1.6 million from the prior fiscal year, primarily due to building improvements. Total depreciation expense for the current fiscal year was \$2.2 million.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2016 and June 30, 2015.

	<u>As of June 30, 2016</u>	<u>As of June 30, 2015</u>
Capital assets – non-depreciable	\$ 8,103,949	\$ 8,138,949
Capital assets – depreciable, net	<u>47,793,291</u>	<u>48,300,760</u>
Total	<u>\$ 55,897,240</u>	<u>\$ 56,439,709</u>

Additional information on the District’s capital assets can be found in Note 6.

Debt Administration. At year-end, the District had \$16.6 million in long-term debt outstanding, \$2.2 million due within one year. Long-term debt decreased by \$2.3 million due to retirement of debt.

The District’s general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 15 percent of the total net full cash assessed valuation) and the statutory debt limit on Class B bonds (the greater of 10 percent of the net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$45.4 million, which is greater than the District’s outstanding debt. The Class B debt limit is \$30.2 million.

Additional information on the District’s long-term debt can be found in Notes 7 and 8.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES

Many factors were considered by the District’s administration during the process of developing the fiscal year 2016-17 budget. Among them:

- Fiscal year 2015-16 budget balance carry forward (estimated \$1.2 million).
- District student population (estimated 2,500).
- Local economy and population demographics of the District.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2016**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

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

Budgeted expenditures in the General Fund increased five percent to \$15.8 million in fiscal year 2016-17 as the result of the passage of Proposition 123 which provides additional funding. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2016-17 budget.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business and Finance Department, Balsz Elementary School District No. 31, 4825 East Roosevelt Street, Phoenix, Arizona 85008.

BASIC FINANCIAL STATEMENTS

(This page intentionally left blank)

GOVERNMENT-WIDE FINANCIAL STATEMENTS

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
STATEMENT OF NET POSITION
JUNE 30, 2016

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 8,055,874
Property taxes receivable	461,612
Accounts receivable	71,008
Due from governmental entities	3,344,172
Total current assets	11,932,666
Noncurrent assets:	
Capital assets not being depreciated	8,103,949
Capital assets, net of accumulated depreciation	47,793,291
Total noncurrent assets	55,897,240
Total assets	67,829,906
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Pension plan items	2,156,194
 <u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	342,004
Construction contracts payable	12,579
Accrued payroll and employee benefits	399,069
Compensated absences payable	50,000
Accrued interest payable	267,113
Bonds payable	2,225,000
Total current liabilities	3,295,765
Noncurrent liabilities:	
Non-current portion of long-term obligations	34,812,926
Total noncurrent liabilities	34,812,926
Total liabilities	38,108,691
 <u>DEFERRED INFLOWS OF RESOURCES</u>	
Pension plan items	2,526,279
 <u>NET POSITION</u>	
Net investment in capital assets	39,758,473
Restricted for:	
Voter approved initiatives	2,523,341
Federal and state projects	457,631
Food service	439,478
Extracurricular activities	238,842
Civic center	116,485
Other local initiatives	28,011
Debt service	133,864
Capital outlay	880,735
Unrestricted	(15,225,730)
Total net position	\$ 29,351,130

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

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2016**

Functions/Programs	Expenses	Program Revenues			Governmental Activities	Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
Governmental activities:						
Instruction	\$ 11,900,412	\$ 33,971	\$ 2,576,716	\$ 326,570		\$ (8,963,155)
Support services - students and staff	3,510,039		1,377,475			(2,132,564)
Support services - administration	2,645,216					(2,645,216)
Operation and maintenance of plant services	2,653,406	417,173	190,989	1,000		(2,044,244)
Student transportation services	981,460					(981,460)
Operation of non-instructional services	2,247,788	37,751	2,298,120			88,083
Interest on long-term debt	465,836					(465,836)
Total governmental activities	<u>\$ 24,404,157</u>	<u>\$ 488,895</u>	<u>\$ 6,443,300</u>	<u>\$ 327,570</u>		<u>(17,144,392)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	7,294,334
Property taxes, levied for debt service	2,787,182
Property taxes, levied for capital outlay	1,368,963
Investment income	35,198
Unrestricted county aid	713,015
Unrestricted state aid	8,045,884
Unrestricted federal aid	110,370

Total general revenues 20,354,946

Changes in net position 3,210,554

Net position, beginning of year 26,140,576

Net position, end of year \$ 29,351,130

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

(This page intentionally left blank)

FUND FINANCIAL STATEMENTS

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2016**

	General	Classroom Site	Debt Service
<u>ASSETS</u>			
Cash and investments	\$ 901,549	\$ 1,859,526	\$ 2,580,566
Property taxes receivable	389,509		45,411
Accounts receivable	60,736		
Due from governmental entities	2,432,010	75,794	
Due from other funds		324,160	
Total assets	\$ 3,783,804	\$ 2,259,480	\$ 2,625,977
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 161,606	\$	\$
Construction contracts payable			
Due to other funds			
Accrued payroll and employee benefits	137,057	144,651	
Bonds payable			2,225,000
Bond interest payable			267,113
Total liabilities	298,663	144,651	2,492,113
Deferred inflows of resources:			
Unavailable revenues - property taxes	348,204		30,383
Unavailable revenues - intergovernmental			
Total deferred inflows of resources	348,204		30,383
Fund balances:			
Restricted		2,114,829	103,481
Unassigned	3,136,937		
Total fund balances	3,136,937	2,114,829	103,481
 Total liabilities, deferred inflows of resources and fund balances	\$ 3,783,804	\$ 2,259,480	\$ 2,625,977

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 2,714,233	\$ 8,055,874
26,692	461,612
10,272	71,008
836,368	3,344,172
109,635	433,795
<u>\$ 3,697,200</u>	<u>\$ 12,366,461</u>

\$ 180,398	\$ 342,004
12,579	12,579
433,795	433,795
117,361	399,069
	2,225,000
	267,113
<u>744,133</u>	<u>3,679,560</u>

16,954	395,541
<u>190,989</u>	<u>190,989</u>
<u>207,943</u>	<u>586,530</u>

2,745,124	4,963,434
	3,136,937
<u>2,745,124</u>	<u>8,100,371</u>

<u>\$ 3,697,200</u>	<u>\$ 12,366,461</u>
---------------------	----------------------

(This page intentionally left blank)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2016

Total governmental fund balances	\$	8,100,371
<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	\$ 76,861,090	
Less accumulated depreciation	<u>(20,963,850)</u>	55,897,240
<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	395,541	
Intergovernmental	<u>190,989</u>	586,530
<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	2,156,194	
Deferred inflows of resources related to pensions	<u>(2,526,279)</u>	(370,085)
<p>The Internal Service Fund is used by management to charge the cost of insurance to the individual funds. The assets and liabilities of the Internal Service Fund are included in the Statement of Net Position.</p>		
<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	(558,519)	
Unamortized premium on long-term debt	(427,140)	
Net pension liability	(20,007,267)	
Bonds payable	<u>(13,870,000)</u>	<u>(34,862,926)</u>
Net position of governmental activities	\$	<u>29,351,130</u>

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016

	General	Classroom Site	Debt Service
Revenues:			
Other local	\$ 1,295,223	\$ 10,213	\$ 8,584
Property taxes	7,367,714		2,792,509
State aid and grants	7,034,238	909,529	
Federal aid, grants and reimbursements	110,370		
Total revenues	15,807,545	919,742	2,801,093
Expenditures:			
Current -			
Instruction	7,361,358	584,384	
Support services - students and staff	1,883,929		
Support services - administration	2,369,870		
Operation and maintenance of plant services	2,373,680		
Student transportation services	715,922		
Operation of non-instructional services	234,035		
Capital outlay	199,249		
Debt service -			
Principal retirement			2,225,000
Interest and fiscal charges			534,690
Total expenditures	15,138,043	584,384	2,759,690
Excess (deficiency) of revenues over expenditures	669,502	335,358	41,403
Other financing sources (uses):			
Transfers in	392,274		2,840
Transfers out			
Total other financing sources (uses):	392,274		2,840
Changes in fund balances	1,061,776	335,358	44,243
Fund balances, beginning of year	2,075,161	1,779,471	59,238
Fund balances, end of year	\$ 3,136,937	\$ 2,114,829	\$ 103,481

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 234,590	\$ 1,548,610
1,363,807	11,524,030
309,017	8,252,784
6,350,062	6,460,432
<u>8,257,476</u>	<u>27,785,856</u>
2,189,915	10,135,657
1,483,954	3,367,883
204,112	2,573,982
4,739	2,378,419
72,877	788,799
1,950,816	2,184,851
2,055,217	2,254,466
	2,225,000
	534,690
<u>7,961,630</u>	<u>26,443,747</u>
<u>295,846</u>	<u>1,342,109</u>
	395,114
<u>(395,114)</u>	<u>(395,114)</u>
<u>(99,268)</u>	<u>1,342,109</u>
2,844,392	6,758,262
<u>\$ 2,745,124</u>	<u>\$ 8,100,371</u>

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2016**

Changes in fund balances - total governmental funds **\$ 1,342,109**

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

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

Expenditures for capitalized assets	\$ 1,626,980	
Less current year depreciation	<u>(2,169,449)</u>	(542,469)

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

Property taxes	(73,551)	
Intergovernmental	<u>(97,594)</u>	(171,145)

Repayments of bond principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 2,225,000

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 pension items, is reported as pension expense in the Statement of Activities.

Current year pension contributions	1,278,069	
Pension expense	<u>(956,843)</u>	321,226

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.

Amortization of deferred bond items	68,854	
Compensated absences	<u>(33,021)</u>	<u>35,833</u>

Changes in net position in governmental activities **\$ 3,210,554**

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

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2016**

	Agency
<u>ASSETS</u>	
Cash and investments	\$ 39,257
Total assets	\$ 39,257
 <u>LIABILITIES</u>	
Deposits held for others	\$ 30,018
Due to student groups	9,239
Total liabilities	\$ 39,257

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Balsz Elementary School District No. 31 (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, 2016, the District implemented the provisions of GASB Statement No. 72, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements and establishes a hierarchy of inputs to valuation techniques used to measure fair value. This Statement also enhances accountability and transparency through revised note disclosures.

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

A. Reporting Entity

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

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

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

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Government-Wide and Fund Financial Statements

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

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 federal, state and county aid, and other items not included among program revenues are reported instead as general revenues.

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

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

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

The District reports the following major governmental funds:

General Fund – The General Fund is the District’s primary operating fund. It accounts for all resources used to finance District maintenance and operation except those required to be accounted for in other funds. 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.

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Classroom Site Fund – The Classroom Site Fund accounts 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.

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.

Additionally, the District reports the following fund type:

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

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

D. Cash and Investments

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.

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

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. Statute requires collateral for deposits of Bond Building and Debt Service Funds monies in interest bearing savings accounts and certificates of deposit at 101 percent of all deposits not covered by federal depository insurance.

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

E. Investment Income

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

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.

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.

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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. 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.

I. Capital Assets

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

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

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

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

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

J. Deferred Outflows/Inflows of Resources

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

K. 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.

L. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position and additions to/deductions from the plan's 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.

M. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities on the statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the straight-line interest 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.

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

N. 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.

O. Net Position Flow Assumption

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

P. 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.

Committed. The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action 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 have amounts are reported.

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

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 a management official delegated that authority by the formal Governing Board action. The District does not have a formal policy regarding the utilization of assigned fund balance, accordingly, no assigned fund balance amounts are reported.

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.

The table below provides detail of the major components of the District's fund balance classifications at year end. Voter approved initiatives include monies restricted in the Classroom Site and Instructional Improvement Funds.

	<u>General Fund</u>	<u>Classroom Site Fund</u>	<u>Debt Service Fund</u>	<u>Non-Major Governmental Funds</u>
Fund Balances:				
Restricted:				
Debt Service	\$	\$	\$ 103,481	\$
Capital projects				863,781
Bond building projects				383,373
Voter approved initiatives		2,114,829		408,512
Federal and state projects				266,642
Food service				439,478
Civic center				116,485
Extracurricular activities				238,842
Other purposes				28,011
Unassigned	3,136,937			
Total fund balances	<u>\$ 3,136,937</u>	<u>\$ 2,114,829</u>	<u>\$ 103,481</u>	<u>\$ 2,745,124</u>

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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 \$39,257 and the bank balance was \$62,479.

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 and the Arizona School Risk Retention pool are trust investment external investment pools with no regulatory oversight. The pools are not required to register (and are not registered) with the Securities and Exchange Commission. The fair value of each participant’s position in both of the investment pools 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.

At year end, the District’s investments consisted of the following:

	<u>Average Maturities</u>	<u>Fair Value</u>
Arizona School Risk Retention Trust investment pool	628 days	\$ 60,504
County Treasurer’s investment pool	342 days	7,995,370
Total		\$ 8,055,874

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 4 – CASH AND INVESTMENTS

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. All investments held in the Arizona School Risk Retention Trust investment pool were rated between A+ and BBB+ by Standard and Poor’s at year end.

Custodial Credit Risk Investments. The District’s investment in the County Treasurer’s investment pool and the Arizona Risk Retention Trust Investment Pool both represent a proportionate interest in the pool’s portfolio; however the District’s portion is not identified with specific investments and is not subject to custodial credit risk.

NOTE 5 – RECEIVABLES

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

	General Fund	Classroom Site Fund	Non-Major Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
Due from other governmental entities:			
Due from federal government	\$	\$	\$ 651,023
Due from state government	2,432,010	75,794	185,345
Net due from governmental entities	<u>\$ 2,432,010</u>	<u>\$ 75,794</u>	<u>\$ 836,368</u>

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 6 – CAPITAL ASSETS

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

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 8,103,949	\$	\$	\$ 8,103,949
Construction in progress	35,000	95,000	130,000	
Total capital assets, not being depreciated	<u>8,138,949</u>	<u>95,000</u>	<u>130,000</u>	<u>8,103,949</u>
Capital assets, being depreciated:				
Land improvements	4,501,171	322,813		4,823,984
Buildings and improvements	55,915,172	1,178,172		57,093,344
Vehicles, furniture and equipment	6,678,818	160,995		6,839,813
Total capital assets being depreciated	<u>67,095,161</u>	<u>1,661,980</u>		<u>68,757,141</u>
Less accumulated depreciation for:				
Land improvements	(1,811,421)	(213,358)		(2,024,779)
Buildings and improvements	(14,340,271)	(1,498,483)		(15,838,754)
Vehicles, furniture and equipment	(2,642,709)	(457,608)		(3,100,317)
Total accumulated depreciation	<u>(18,794,401)</u>	<u>(2,169,449)</u>		<u>(20,963,850)</u>
Total capital assets, being depreciated, net	<u>48,300,760</u>	<u>(507,469)</u>		<u>47,793,291</u>
Governmental activities capital assets, net	<u>\$ 56,439,709</u>	<u>\$ (412,469)</u>	<u>\$ 130,000</u>	<u>\$ 55,897,240</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 1,528,020
Support services – students and staff	152,409
Support services – administration	29,485
Operation and maintenance of plant services	255,838
Student transportation services	149,315
Operation of non-instructional services	54,382
Total depreciation expense – governmental activities	<u>\$ 2,169,449</u>

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 7 – GENERAL OBLIGATION BONDS PAYABLE

Bonds payable at year end, consisted of the following outstanding general obligation bonds. Of the total amount originally authorized, all has been issued. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt.

<u>Purpose</u>	<u>Original Amount Issued</u>	<u>Interest Rates</u>	<u>Remaining Maturities</u>	<u>Outstanding Principal June 30, 2016</u>	<u>Due Within One Year</u>
Governmental activities:					
School Improvement Bonds, Project of 2011, Series A	\$ 15,555,000	2.25-5.0%	7/1/16-21	\$ 10,650,000	\$ 2,225,000
School Improvement Bonds, Project of 2011, Series B	5,445,000	2.0-4.0%	7/1/17-26	5,445,000	
Total				<u>\$ 16,095,000</u>	<u>\$ 2,225,000</u>

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

Year ending June 30:	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2017	\$ 2,225,000	\$ 500,851
2018	2,020,000	437,426
2019	2,075,000	384,095
2020	1,550,000	322,064
2021	1,610,000	261,876
2022-26	5,860,000	657,645
2027	755,000	38,208
Total	<u>\$ 16,095,000</u>	<u>\$ 2,602,165</u>

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 8 – 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>
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 18,345,000	\$	\$ 2,250,000	\$ 16,095,000	\$ 2,225,000
Premium	495,994		68,854	427,140	
Total bonds payable	<u>18,840,994</u>		<u>2,318,854</u>	<u>16,522,140</u>	<u>2,225,000</u>
Net pension liability	20,086,338		79,071	20,007,267	
Compensated absences payable	525,498	350,208	317,187	558,519	50,000
Governmental activity long-term liabilities	<u>\$ 39,452,830</u>	<u>\$ 350,208</u>	<u>\$ 2,715,112</u>	<u>\$ 37,087,926</u>	<u>\$ 2,275,000</u>

NOTE 9 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At year end, interfund balances were as follows:

Due to/from other funds:

	<u>Classroom Site Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Due to Other Funds</u>
Non-Major Governmental Funds	\$ 324,160	\$ 109,635	\$ 433,795
Total Due from Other Funds	<u>\$ 324,160</u>	<u>\$ 109,635</u>	<u>\$ 433,795</u>

At year end, several non-major governmental funds had negative cash balances in the Treasurer's pooled cash accounts. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing from the Classroom Site Fund. In addition, an interfund balance was established to correct a deposit. All interfund balances are expected to be paid within one year.

Interfund transfers:

	<u>Transfers in</u>		
	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
<u>Transfers out</u>			
Non-Major Governmental Funds	\$ 392,274	\$ 2,840	\$ 395,114
Total	<u>\$ 392,274</u>	<u>\$ 2,840</u>	<u>\$ 395,114</u>

Transfers between funds were used to (1) move investment income earned in the Bond Building Fund that is required by statute to be expended in the Debt Service Fund, and (2) move federal grant funds restricted for indirect costs.

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 10 – CONTINGENT LIABILITIES

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

NOTE 11 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District was unable to obtain general property and liability insurance at a cost it considered to be economically justifiable. Therefore, the District joined, and is covered by three public entity risk pools, the Arizona School Risk Retention Trust, Inc. (ASRRT), the Valley Schools Employee Benefit Trust (VSEBT), and the Arizona School Alliance for Worker's Compensation, Inc., which are discussed below.

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

The District joined the Valley Schools Employee Benefit Trust (VSEBT) together with other districts in the state for risks of loss related to employee health and accident claims. VSEBT is a public entity risk pool currently operating as a group insurance program for several school districts. The District pays monthly premiums to VSEBT for its employee health and accident insurance coverage. The trust was fully insured for the current fiscal year, and does not pay claims, but rather provides coverage through the purchase of commercial insurance.

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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.

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

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

*With actuarially reduced benefits

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Contributions. In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.47 percent (11.35 percent for retirement and 0.12 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 11.47 percent (10.85 percent for retirement, 0.50 percent for health insurance premium benefit, and 0.12 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, 2016 were \$1,278,069.

In addition, the District was required by statute to contribute at the actuarially determined rate of 9.36 percent (9.17 for retirement and 0.13 percent for health insurance premium benefit, and 0.06 percent for long-term disability) of annual covered payroll of retired members who worked in positions that would typically be filled by an employee who contributes to ASRS.

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

		Health Benefit Supplement Fund		Long-Term Disability Fund
Year ending June 30:				
2016	\$	58,897	\$	14,135
2015		69,982		13,414
2014		72,958		29,183

Pension Liability. At June 30, 2016, the District reported a liability of \$20,007,267 million for its proportionate share of the net pension liability of the ASRS. The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2014, to the measurement date of June 30, 2015. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2015, the District’s proportion was 0.13 percent, which was a decrease of 0.01 percent from its proportion measured as of June 30, 2014.

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Pension Expense and Deferred Outflows/Inflows of Resources. For the year ended June 30, 2016, the District recognized pension expense of \$956,843 and reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 545,955	\$1,048,401
Net difference between projected and actual earnings on pension plan investments		641,189
Changes in proportion and differences between contributions and proportionate share of contributions	332,170	836,689
Contributions subsequent to the measurement date	<u>1,278,069</u>	
Total	<u>\$ 2,156,194</u>	<u>\$ 2,526,279</u>

The deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. 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:	
2017	\$ (549,394)
2018	(1,022,230)
2019	(539,387)
2020	462,857

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

Actuarial valuation date	June 30, 2014
Actuarial roll forward date	June 30, 2015
Actuarial cost method	Entry age normal
Investment rate of return	8.0%
Projected salary increases	3.0-6.75%
Inflation	3.0%
Permanent base increases	Included
Mortality rates	1994 GAM Scale BB

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2012. 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, 2013, actuarial valuation. The study did not include an analysis of the assumed investment rate of return.

The long-term expected rate of return on ASRS pension plan investments was determined to be 8.79 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan 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 and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	58%	6.79%
Fixed income	25%	3.70
Real estate	10%	4.25
Multi-asset	5%	3.41
Commodities	2%	3.93
Total	100%	

Discount Rate. The discount rate used to measure the ASRS total pension liability was 8.0 percent, which is less than the long-term expected rate of return of 8.79 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board’s funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the pension plan’s 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 pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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 8.0 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 <u>(7.0%)</u>	Current Discount Rate <u>(8.0%)</u>	1% Increase <u>(9.0%)</u>
Proportionate share of the net pension liability	\$26,216,358	\$ 20,007,267	\$15,752,006

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.

(This page intentionally left blank)

REQUIRED SUPPLEMENTARY INFORMATION

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL
YEAR ENDED JUNE 30, 2016**

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other local	\$	\$	\$ 702,608	\$ 702,608
Property taxes			7,367,714	7,367,714
State aid and grants			7,034,238	7,034,238
Total revenues			<u>15,104,560</u>	<u>15,104,560</u>
Expenditures:				
Current -				
Instruction	7,753,506	7,596,321	7,332,180	264,141
Support services - students and staff	2,040,906	1,932,517	1,781,200	151,317
Support services - administration	2,173,729	2,120,479	1,803,802	316,677
Operation and maintenance of plant services	2,143,096	2,332,806	2,095,467	237,339
Student transportation services	908,800	928,943	667,683	261,260
Operation of non-instructional services	54,803	52,279	52,279	
Total expenditures	<u>15,074,840</u>	<u>14,963,345</u>	<u>13,732,611</u>	<u>1,230,734</u>
Changes in fund balances	<u>(15,074,840)</u>	<u>(14,963,345)</u>	<u>1,371,949</u>	<u>16,335,294</u>
Fund balances, beginning of year			530,194	530,194
Fund balances (deficits), end of year	<u>\$ (15,074,840)</u>	<u>\$ (14,963,345)</u>	<u>\$ 1,902,143</u>	<u>\$ 16,865,488</u>

See accompanying notes to this schedule.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CLASSROOM SITE
YEAR ENDED JUNE 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other local	\$	\$	\$ 10,213	\$ 10,213
State aid and grants			909,529	909,529
Total revenues			<u>919,742</u>	<u>919,742</u>
Expenditures:				
Current -				
Instruction	1,819,905	1,846,973	584,384	1,262,589
Total expenditures	<u>1,819,905</u>	<u>1,846,973</u>	<u>584,384</u>	<u>1,262,589</u>
Changes in fund balances	<u>(1,819,905)</u>	<u>(1,846,973)</u>	<u>335,358</u>	<u>2,182,331</u>
Fund balances, beginning of year			1,779,471	1,779,471
Fund balances (deficits), end of year	<u>\$ (1,819,905)</u>	<u>\$ (1,846,973)</u>	<u>\$ 2,114,829</u>	<u>\$ 3,961,802</u>

See accompanying notes to this schedule.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
ARIZONA STATE RETIREMENT SYSTEM
LAST TWO FISCAL YEARS**

	<u>2016</u>	<u>2015</u>
District's proportion of the net pension liability (asset)	0.13%	0.14%
District's proportionate share of the net pension liability (asset)	\$ 20,007,267	\$ 20,086,338
District's covered payroll	\$ 11,861,423	\$ 12,159,654
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	168.68%	165.19%
Plan fiduciary net position as a percentage of the total pension liability	68.35%	69.49%

**SCHEDULE OF CONTRIBUTIONS
ARIZONA STATE RETIREMENT SYSTEM
LAST TWO FISCAL YEARS**

	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 1,278,069	\$ 1,291,709
Contributions in relation to the actuarially determined contribution	<u>1,278,069</u>	<u>1,291,709</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 11,779,438	\$ 11,861,423
Contributions as a percentage of covered payroll	10.85%	10.89%

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

See accompanying notes to this schedule.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2016**

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 item.

- Certain activities reported in the General Fund are budgeted in separate funds in accordance with Arizona Revised Statutes.

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	\$ 15,138,043	\$ 3,136,937
Activity budgeted as special revenue funds	(1,405,432)	(1,234,794)
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	\$ 13,732,611	\$ 1,902,143

NOTE 2 – PENSION PLAN SCHEDULES

Change in Accounting Principle. For the year ended June 30, 2016, the District implemented the provisions of GASB Statement No. 82, Pension Issues. The statement changed the measure of payroll that is required to be presented in required supplementary information from covered-employee payroll to covered payroll. Accordingly, payroll amounts presented in the pension plan schedules and related ratios for prior periods have been restated.

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, 2014, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2012. 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, 2014, actuarial valuation. The study did not include an analysis of the assumed investment rate of return.

(This page intentionally left blank)

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

(This page intentionally left blank)

GOVERNMENTAL FUNDS

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2016

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Fund</u>
<u>ASSETS</u>			
Cash and investments	\$ 1,551,252	\$ 1,162,981	\$ 2,714,233
Property taxes receivable		26,692	26,692
Accounts receivable	10,272		10,272
Due from governmental entities	836,368		836,368
Due from other funds		109,635	109,635
Total assets	<u><u>\$ 2,397,892</u></u>	<u><u>\$ 1,299,308</u></u>	<u><u>\$ 3,697,200</u></u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 157,777	\$ 22,621	\$ 180,398
Construction contracts payable		12,579	12,579
Due to other funds	433,795		433,795
Accrued payroll and employee benefits	117,361		117,361
Total liabilities	<u><u>708,933</u></u>	<u><u>35,200</u></u>	<u><u>744,133</u></u>
Deferred inflows of resources:			
Unavailable revenues - property taxes		16,954	16,954
Unavailable revenues - intergovernmental	190,989		190,989
Total deferred inflows of resources	<u><u>190,989</u></u>	<u><u>16,954</u></u>	<u><u>207,943</u></u>
Fund balances:			
Restricted	1,497,970	1,247,154	2,745,124
Total fund balances	<u><u>1,497,970</u></u>	<u><u>1,247,154</u></u>	<u><u>2,745,124</u></u>
 Total liabilities, deferred inflows of resources and fund balances	 <u><u>\$ 2,397,892</u></u>	 <u><u>\$ 1,299,308</u></u>	 <u><u>\$ 3,697,200</u></u>

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
YEAR ENDED JUNE 30, 2016

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:			
Other local	\$ 228,733	\$ 5,857	\$ 234,590
Property taxes		1,363,807	1,363,807
State aid and grants	211,752	97,265	309,017
Federal aid, grants and reimbursements	<u>6,350,062</u>		<u>6,350,062</u>
Total revenues	<u>6,790,547</u>	<u>1,466,929</u>	<u>8,257,476</u>
Expenditures:			
Current -			
Instruction	2,189,915		2,189,915
Support services - students and staff	1,483,954		1,483,954
Support services - administration	204,112		204,112
Operation and maintenance of plant services		4,739	4,739
Student transportation services	72,877		72,877
Operation of non-instructional services	1,950,816		1,950,816
Capital outlay	<u>415,233</u>	<u>1,639,984</u>	<u>2,055,217</u>
Total expenditures	<u>6,316,907</u>	<u>1,644,723</u>	<u>7,961,630</u>
Excess (deficiency) of revenues over expenditures	<u>473,640</u>	<u>(177,794)</u>	<u>295,846</u>
Other financing sources (uses):			
Transfers out	<u>(392,274)</u>	<u>(2,840)</u>	<u>(395,114)</u>
Total other financing sources (uses):	<u>(392,274)</u>	<u>(2,840)</u>	<u>(395,114)</u>
Changes in fund balances	<u>81,366</u>	<u>(180,634)</u>	<u>(99,268)</u>
Fund balances, beginning of year	1,416,604	1,427,788	2,844,392
Fund balances, end of year	<u>\$ 1,497,970</u>	<u>\$ 1,247,154</u>	<u>\$ 2,745,124</u>

SPECIAL REVENUE FUNDS

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.

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

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

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

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

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

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.

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

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

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

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

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

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

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

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

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
 COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2016**

	Instructional Improvement	Title I Grants	Professional Development and Technology Grants
<u>ASSETS</u>			
Cash and investments	\$ 426,132	\$	\$ 25,704
Accounts receivable			
Due from governmental entities	26,213	148,444	7,618
Total assets	\$ 452,345	\$ 148,444	\$ 33,322
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$ 35,468	\$ 17,176
Due to other funds		73,389	
Accrued payroll and employee benefits	43,833	39,587	16,146
Total liabilities	43,833	148,444	33,322
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances:			
Restricted	408,512		
Total fund balances	408,512		
 Total liabilities, deferred inflows of resources and fund balances	 \$ 452,345	 \$ 148,444	 \$ 33,322

<u>Limited English and Immigrant Students</u>	<u>Special Education Grants</u>	<u>E-Rate</u>	<u>Other Federal Projects</u>	<u>Other State Projects</u>	<u>Food Service</u>
\$	\$	\$ 299,316	\$	\$	\$ 426,969
2,375	28,908	190,989	196,059	159,132	76,630
<u>\$ 2,375</u>	<u>\$ 28,908</u>	<u>\$ 490,305</u>	<u>\$ 196,059</u>	<u>\$ 159,132</u>	<u>\$ 503,599</u>
\$	\$	\$ 32,674	\$ 10,331	\$	\$ 62,128
1,209	21,330		178,735	159,132	
1,166	7,578		6,993		1,993
<u>2,375</u>	<u>28,908</u>	<u>32,674</u>	<u>196,059</u>	<u>159,132</u>	<u>64,121</u>
		190,989			
		266,642			439,478
		<u>266,642</u>			<u>439,478</u>
<u>\$ 2,375</u>	<u>\$ 28,908</u>	<u>\$ 490,305</u>	<u>\$ 196,059</u>	<u>\$ 159,132</u>	<u>\$ 503,599</u>

(Continued)

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2016**

	<u>Civic Center</u>	<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>
<u>ASSETS</u>			
Cash and investments	\$ 106,213	\$ 10,177	\$ 238,907
Accounts receivable	10,272		
Due from governmental entities			
Total assets	<u>\$ 116,485</u>	<u>\$ 10,177</u>	<u>\$ 238,907</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			
Accrued payroll and employee benefits			65
Total liabilities			<u>65</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances:			
Restricted	<u>116,485</u>	<u>10,177</u>	<u>238,842</u>
Total fund balances	<u>116,485</u>	<u>10,177</u>	<u>238,842</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 116,485</u>	<u>\$ 10,177</u>	<u>\$ 238,907</u>

<u>Fingerprint</u>	<u>Textbooks</u>	<u>Totals</u>
\$ 2,564	\$ 15,270	\$ 1,551,252
		10,272
		<u>836,368</u>
<u>\$ 2,564</u>	<u>\$ 15,270</u>	<u>\$ 2,397,892</u>
\$	\$	\$ 157,777
		433,795
		<u>117,361</u>
		<u>708,933</u>
		<u>190,989</u>
<u>2,564</u>	<u>15,270</u>	<u>1,497,970</u>
<u>2,564</u>	<u>15,270</u>	<u>1,497,970</u>
<u>\$ 2,564</u>	<u>\$ 15,270</u>	<u>\$ 2,397,892</u>

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2016

	Instructional Improvement	Title I Grants	Professional Development and Technology Grants
Revenues:			
Other local	\$ 2,101	\$	\$
State aid and grants	102,117		
Federal aid, grants and reimbursements		2,480,409	211,233
Total revenues	104,218	2,480,409	211,233
Expenditures:			
Current -			
Instruction	127,435	1,353,996	
Support services - students and staff	22,565	774,563	204,064
Support services - administration		143,861	4,417
Student transportation services		59,319	
Operation of non-instructional services			
Capital outlay		119,670	
Total expenditures	150,000	2,451,409	208,481
Excess (deficiency) of revenues over expenditures	(45,782)	29,000	2,752
Other financing sources (uses):			
Transfers out		(29,000)	(2,752)
Total other financing sources (uses):		(29,000)	(2,752)
Changes in fund balances	(45,782)		
Fund balances (deficits), beginning of year	454,294		
Fund balances, end of year	\$ 408,512	\$	\$

Limited English and Immigrant Students	Special Education Grants	E-Rate	Other Federal Projects	Other State Projects	Food Service
\$	\$	\$ 970	\$	\$	\$ 39,519
118,615	470,522	207,009	564,154	109,635	2,298,120
<u>118,615</u>	<u>470,522</u>	<u>207,979</u>	<u>564,154</u>	<u>109,635</u>	<u>2,337,639</u>
57,630	274,842		313,442		
59,440	174,577	89,819	157,662		
	14,973	31,781	8,224		
			1,678		
		165,201		109,635	1,926,538
<u>117,070</u>	<u>464,392</u>	<u>286,801</u>	<u>481,006</u>	<u>109,635</u>	<u>1,926,538</u>
<u>1,545</u>	<u>6,130</u>	<u>(78,822)</u>	<u>83,148</u>		<u>411,101</u>
<u>(1,545)</u>	<u>(6,130)</u>		<u>(1,471)</u>		<u>(351,376)</u>
<u>(1,545)</u>	<u>(6,130)</u>		<u>(1,471)</u>		<u>(351,376)</u>
		(78,822)	81,677		59,725
		345,464	(81,677)		379,753
<u>\$</u>	<u>\$</u>	<u>\$ 266,642</u>	<u>\$</u>	<u>\$</u>	<u>\$ 439,478</u>

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2016

	<u>Civic Center</u>	<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>
Revenues:			
Other local	\$ 52,203	\$ 29,560	\$ 100,985
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>52,203</u>	<u>29,560</u>	<u>100,985</u>
Expenditures:			
Current -			
Instruction		442	62,128
Support services - students and staff			1,264
Support services - administration			
Student transportation services			11,880
Operation of non-instructional services	4,326	19,952	
Capital outlay	15,727		5,000
Total expenditures	<u>20,053</u>	<u>20,394</u>	<u>80,272</u>
Excess (deficiency) of revenues over expenditures	<u>32,150</u>	<u>9,166</u>	<u>20,713</u>
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>32,150</u>	<u>9,166</u>	<u>20,713</u>
Fund balances (deficits), beginning of year	84,335	1,011	218,129
Fund balances, end of year	<u>\$ 116,485</u>	<u>\$ 10,177</u>	<u>\$ 238,842</u>

<u>Fingerprint</u>	<u>Textbooks</u>	<u>Totals</u>
\$ 3,314	\$ 81	\$ 228,733
		211,752
		6,350,062
<u>3,314</u>	<u>81</u>	<u>6,790,547</u>
		2,189,915
		1,483,954
856		204,112
		72,877
		1,950,816
		415,233
<u>856</u>	<u></u>	<u>6,316,907</u>
<u>2,458</u>	<u>81</u>	<u>473,640</u>
		(392,274)
		(392,274)
<u>2,458</u>	<u>81</u>	<u>81,366</u>
106	15,189	1,416,604
<u>\$ 2,564</u>	<u>\$ 15,270</u>	<u>\$ 1,497,970</u>

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2016

	Instructional Improvement		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 2,101	\$ 2,101
State aid and grants		102,117	102,117
Federal aid, grants and reimbursements			
Total revenues		<u>104,218</u>	<u>104,218</u>
Expenditures:			
Current -			
Instruction	127,435	127,435	
Support services - students and staff	22,565	22,565	
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>150,000</u>	<u>150,000</u>	
Excess (deficiency) of revenues over expenditures	<u>(150,000)</u>	<u>(45,782)</u>	<u>104,218</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(150,000)</u>	<u>(45,782)</u>	<u>104,218</u>
Fund balances (deficits), beginning of year		454,294	454,294
Fund balances (deficits), end of year	<u>\$ (150,000)</u>	<u>\$ 408,512</u>	<u>\$ 558,512</u>

Title I Grants			Professional Development and Technology Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	2,480,409	2,480,409		211,233	211,233
	2,480,409	2,480,409		211,233	211,233
1,520,277	1,353,996	166,281			
774,700	774,563	137	231,171	204,064	27,107
143,900	143,861	39	4,658	4,417	241
59,400	59,319	81			
119,700	119,670	30			
2,617,977	2,451,409	166,568	235,829	208,481	27,348
(2,617,977)	29,000	2,646,977	(235,829)	2,752	238,581
	(29,000)	(29,000)		(2,752)	(2,752)
	(29,000)	(29,000)		(2,752)	(2,752)
(2,617,977)		2,617,977	(235,829)		235,829
\$ (2,617,977)	\$	\$ 2,617,977	\$ (235,829)	\$	\$ 235,829

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2016

	Limited English and Immigrant Students		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		118,615	118,615
Total revenues		118,615	118,615
Expenditures:			
Current -			
Instruction	58,753	57,630	1,123
Support services - students and staff	69,919	59,440	10,479
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	128,672	117,070	11,602
Excess (deficiency) of revenues over expenditures	(128,672)	1,545	130,217
Other financing sources (uses):			
Transfers in			
Transfers out		(1,545)	(1,545)
Total other financing sources (uses):		(1,545)	(1,545)
Changes in fund balances	(128,672)		128,672
Fund balances (deficits), beginning of year			
Fund balances (deficits), end of year	\$ (128,672)	\$	\$ 128,672

Special Education Grants			Medicaid Reimbursement		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 70	\$ 70
	470,522	470,522		110,370	110,370
	470,522	470,522		110,440	110,440
517,379	274,842	242,537	40,720	12,351	28,369
177,813	174,577	3,236	40,535	15,402	25,133
15,236	14,973	263			
			8,945	4,755	4,190
710,428	464,392	246,036	90,200	32,508	57,692
(710,428)	6,130	716,558	(90,200)	77,932	168,132
(6,582)	(6,130)	452			
(6,582)	(6,130)	452			
(717,010)		717,010	(90,200)	77,932	168,132
				20,478	20,478
\$ (717,010)	\$	\$ 717,010	\$ (90,200)	\$ 98,410	\$ 188,610

(Continued)

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL
 NON-MAJOR SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 2016**

	E-Rate		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 970	\$ 970
State aid and grants			
Federal aid, grants and reimbursements		207,009	207,009
Total revenues		<u>207,979</u>	<u>207,979</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff	265,894	89,819	176,075
Support services - administration	45,823	31,781	14,042
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	400,303	165,201	235,102
Total expenditures	<u>712,020</u>	<u>286,801</u>	<u>425,219</u>
Excess (deficiency) of revenues over expenditures	<u>(712,020)</u>	<u>(78,822)</u>	<u>633,198</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(712,020)</u>	<u>(78,822)</u>	<u>633,198</u>
Fund balances (deficits), beginning of year		345,464	345,464
Fund balances (deficits), end of year	<u>\$ (712,020)</u>	<u>\$ 266,642</u>	<u>\$ 978,662</u>

Other Federal Projects			Other State Projects		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	564,154	564,154		109,635	109,635
	<u>564,154</u>	<u>564,154</u>		<u>109,635</u>	<u>109,635</u>
261,072	313,442	(52,370)			
157,662	157,662				
8,224	8,224				
1,678	1,678				
			100,000	109,635	(9,635)
<u>428,636</u>	<u>481,006</u>	<u>(52,370)</u>	<u>100,000</u>	<u>109,635</u>	<u>(9,635)</u>
<u>(428,636)</u>	<u>83,148</u>	<u>511,784</u>	<u>(100,000)</u>		<u>100,000</u>
	(1,471)	(1,471)			
	<u>(1,471)</u>	<u>(1,471)</u>			
<u>(428,636)</u>	<u>81,677</u>	<u>510,313</u>	<u>(100,000)</u>		<u>100,000</u>
	(81,677)	(81,677)			
<u>\$ (428,636)</u>	<u>\$</u>	<u>\$ 428,636</u>	<u>\$ (100,000)</u>	<u>\$</u>	<u>\$ 100,000</u>

(Continued)

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL
 NON-MAJOR SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 2016**

	School Plant		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
Revenues:			
Other local	\$	\$ 375,267	\$ 375,267
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>375,267</u>	<u>375,267</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services	562,252	234,063	328,189
Student transportation services			
Operation of non-instructional services	14,785	13,766	1,019
Capital outlay	<u>145,892</u>	<u>139,167</u>	<u>6,725</u>
Total expenditures	<u>722,929</u>	<u>386,996</u>	<u>335,933</u>
Excess (deficiency) of revenues over expenditures	<u>(722,929)</u>	<u>(11,729)</u>	<u>711,200</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(722,929)</u>	<u>(11,729)</u>	<u>711,200</u>
Fund balances (deficits), beginning of year		324,268	324,268
Fund balances (deficits), end of year	<u>\$ (722,929)</u>	<u>\$ 312,539</u>	<u>\$ 1,035,468</u>

Food Service			Civic Center		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 39,519	\$ 39,519	\$	\$ 52,203	\$ 52,203
	2,298,120	2,298,120			
	<u>2,337,639</u>	<u>2,337,639</u>		<u>52,203</u>	<u>52,203</u>
2,129,147	1,926,538	202,609	28,082	4,326	23,756
			56,163	15,727	40,436
<u>2,129,147</u>	<u>1,926,538</u>	<u>202,609</u>	<u>84,245</u>	<u>20,053</u>	<u>64,192</u>
(2,129,147)	411,101	2,540,248	(84,245)	32,150	116,395
	(351,376)	(351,376)			
	<u>(351,376)</u>	<u>(351,376)</u>			
(2,129,147)	59,725	2,188,872	(84,245)	32,150	116,395
	379,753	379,753		84,335	84,335
<u>\$ (2,129,147)</u>	<u>\$ 439,478</u>	<u>\$ 2,568,625</u>	<u>\$ (84,245)</u>	<u>\$ 116,485</u>	<u>\$ 200,730</u>

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2016

	Community School		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 29,560	\$ 29,560
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>29,560</u>	<u>29,560</u>
Expenditures:			
Current -			
Instruction	1,307	442	865
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services	29,561	19,952	9,609
Capital outlay			
Total expenditures	<u>30,868</u>	<u>20,394</u>	<u>10,474</u>
Excess (deficiency) of revenues over expenditures	<u>(30,868)</u>	<u>9,166</u>	<u>40,034</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(30,868)</u>	<u>9,166</u>	<u>40,034</u>
Fund balances (deficits), beginning of year		1,011	1,011
Fund balances (deficits), end of year	<u>\$ (30,868)</u>	<u>\$ 10,177</u>	<u>\$ 41,045</u>

Extracurricular Activities Fees Tax Credit			Gifts and Donations		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 100,985	\$ 100,985	\$	\$ 209,605	\$ 209,605
	<u>100,985</u>	<u>100,985</u>		<u>209,605</u>	<u>209,605</u>
292,947	62,128	230,819	11,426	10,753	673
3,487	1,264	2,223	63,229	61,720	1,509
			16,218	15,540	678
			1,647	1,577	70
15,469	11,880	3,589	6,023	5,991	32
			358,368	154,058	204,310
6,000	5,000	1,000	52,229	51,627	602
<u>317,903</u>	<u>80,272</u>	<u>237,631</u>	<u>509,140</u>	<u>301,266</u>	<u>207,874</u>
(317,903)	20,713	338,616	(509,140)	(91,661)	417,479
<u>(317,903)</u>	<u>20,713</u>	<u>338,616</u>	<u>(509,140)</u>	<u>(91,661)</u>	<u>417,479</u>
	218,129	218,129		365,284	365,284
<u>\$ (317,903)</u>	<u>\$ 238,842</u>	<u>\$ 556,745</u>	<u>\$ (509,140)</u>	<u>\$ 273,623</u>	<u>\$ 782,763</u>

(Continued)

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL
 NON-MAJOR SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 2016**

	Fingerprint		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 3,314	\$ 3,314
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u> </u>	<u> 3,314</u>	<u> 3,314</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration	2,000	856	1,144
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u> 2,000</u>	<u> 856</u>	<u> 1,144</u>
Excess (deficiency) of revenues over expenditures	<u> (2,000)</u>	<u> 2,458</u>	<u> 4,458</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):	<u> </u>	<u> </u>	<u> </u>
Changes in fund balances	<u> (2,000)</u>	<u> 2,458</u>	<u> 4,458</u>
Fund balances (deficits), beginning of year		106	106
Fund balances (deficits), end of year	<u> \$ (2,000)</u>	<u> \$ 2,564</u>	<u> \$ 4,564</u>

Textbooks			Litigation Recovery		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 81	\$ 81	\$	\$ 108	\$ 108
	<u>81</u>	<u>81</u>		<u>108</u>	<u>108</u>
15,173		15,173			
			1,513	1,513	
<u>15,173</u>	<u></u>	<u>15,173</u>	<u>1,513</u>	<u>1,513</u>	<u></u>
<u>(15,173)</u>	<u>81</u>	<u>15,254</u>	<u>(1,513)</u>	<u>(1,405)</u>	<u>108</u>
<u>(15,173)</u>	<u>81</u>	<u>15,254</u>	<u>(1,513)</u>	<u>(1,405)</u>	<u>108</u>
	15,189	15,189		1,510	1,510
<u>\$ (15,173)</u>	<u>\$ 15,270</u>	<u>\$ 30,443</u>	<u>\$ (1,513)</u>	<u>\$ 105</u>	<u>\$ 1,618</u>

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2016

	Indirect Costs		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
Revenues:			
Other local	\$	\$ 3,652	\$ 3,652
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>3,652</u>	<u>3,652</u>
Expenditures:			
Current -			
Instruction	6,742	6,074	668
Support services - students and staff	27,435	25,607	1,828
Support services - administration	698,847	549,015	149,832
Operation and maintenance of plant services	43,658	42,573	1,085
Student transportation services	43,514	42,248	1,266
Operation of non-instructional services	14,528	13,932	596
Capital outlay	3,800	3,700	100
Total expenditures	<u>838,524</u>	<u>683,149</u>	<u>155,375</u>
Excess (deficiency) of revenues over expenditures	<u>(838,524)</u>	<u>(679,497)</u>	<u>159,027</u>
Other financing sources (uses):			
Transfers in		392,274	392,274
Transfers out			
Total other financing sources (uses):		<u>392,274</u>	<u>392,274</u>
Changes in fund balances	<u>(838,524)</u>	<u>(287,223)</u>	<u>551,301</u>
Fund balances (deficits), beginning of year		829,655	829,655
Fund balances (deficits), end of year	<u>\$ (838,524)</u>	<u>\$ 542,432</u>	<u>\$ 1,380,956</u>

Insurance Refund			Advertisement		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 3,903	\$ 3,903	\$	\$ 10	\$ 10
	<u>3,903</u>	<u>3,903</u>		<u>10</u>	<u>10</u>
5,766		5,766	1,899		1,899
<u>5,766</u>		<u>5,766</u>	<u>1,899</u>		<u>1,899</u>
<u>(5,766)</u>	<u>3,903</u>	<u>9,669</u>	<u>(1,899)</u>	<u>10</u>	<u>1,909</u>
<u>(5,766)</u>	<u>3,903</u>	<u>9,669</u>	<u>(1,899)</u>	<u>10</u>	<u>1,909</u>
	1,870	1,870		1,902	1,902
<u>\$ (5,766)</u>	<u>\$ 5,773</u>	<u>\$ 11,539</u>	<u>\$ (1,899)</u>	<u>\$ 1,912</u>	<u>\$ 3,811</u>

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2016

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 821,348	\$ 821,348
State aid and grants		211,752	211,752
Federal aid, grants and reimbursements		6,460,432	6,460,432
Total revenues		<u>7,493,532</u>	<u>7,493,532</u>
Expenditures:			
Current -			
Instruction	2,860,896	2,219,093	641,803
Support services - students and staff	1,834,410	1,586,683	247,727
Support services - administration	936,419	770,180	166,239
Operation and maintenance of plant services	607,557	278,213	329,344
Student transportation services	126,084	121,116	4,968
Operation of non-instructional services	2,574,471	2,132,572	441,899
Capital outlay	893,032	614,482	278,550
Total expenditures	<u>9,832,869</u>	<u>7,722,339</u>	<u>2,110,530</u>
Excess (deficiency) of revenues over expenditures	<u>(9,832,869)</u>	<u>(228,807)</u>	<u>9,604,062</u>
Other financing sources (uses):			
Transfers in		392,274	392,274
Transfers out	(6,582)	(392,274)	(385,692)
Total other financing sources (uses):	<u>(6,582)</u>		<u>6,582</u>
Changes in fund balances	<u>(9,839,451)</u>	<u>(228,807)</u>	<u>9,610,644</u>
Fund balances (deficits), beginning of year		2,961,571	2,961,571
Fund balances (deficits), end of year	<u>\$ (9,839,451)</u>	<u>\$ 2,732,764</u>	<u>\$ 12,572,215</u>

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.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE
YEAR ENDED JUNE 30, 2016**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	<u>Original & Final</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:			
Other local	\$	\$ 8,584	\$ 8,584
Property taxes		2,792,509	2,792,509
Total revenues		<u>2,801,093</u>	<u>2,801,093</u>
Expenditures:			
Debt service -			
Principal retirement	2,225,000	2,225,000	
Interest and fiscal charges	593,440	534,690	58,750
Total expenditures	<u>2,818,440</u>	<u>2,759,690</u>	<u>58,750</u>
Excess (deficiency) of revenues over expenditures	<u>(2,818,440)</u>	<u>41,403</u>	<u>2,859,843</u>
Other financing sources (uses):			
Transfers in		2,840	2,840
Total other financing sources (uses):		<u>2,840</u>	<u>2,840</u>
Changes in fund balances	<u>(2,818,440)</u>	<u>44,243</u>	<u>2,862,683</u>
Fund balances, beginning of year		59,238	59,238
Fund balances (deficits), end of year	<u>\$ (2,818,440)</u>	<u>\$ 103,481</u>	<u>\$ 2,921,921</u>

CAPITAL PROJECTS FUNDS

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

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.

Energy and Water Savings - to account for capital investment monies, energy related rebate, or grant monies, and monies from other funding sources to fund energy or water savings projects in school facilities in accordance with A.R.S. §15-910.02.

Emergency Deficiencies Correction - to account for monies received from the School Facilities Board to correct emergency deficiencies.

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.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2016**

	Insurance Proceeds	Unrestricted Capital Outlay	Adjacent Ways
<u>ASSETS</u>			
Cash and investments	\$ 9,268	\$ 761,392	\$ 85,379
Property taxes receivable		20,489	6,203
Due from other funds			
Total assets	\$ 9,268	\$ 781,881	\$ 91,582
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$ 17,621	\$
Construction contracts payable			
Total liabilities		17,621	
Deferred inflows of resources:			
Unavailable revenues - property taxes		11,247	5,707
Fund balances:			
Restricted	9,268	753,013	85,875
Total fund balances	9,268	753,013	85,875
 Total liabilities, deferred inflows of resources and fund balances	\$ 9,268	\$ 781,881	\$ 91,582

<u>Bond Building</u>	<u>Energy and Water Savings</u>	<u>Totals</u>
\$ 286,317	\$ 20,625	\$ 1,162,981
109,635		26,692
<u>\$ 395,952</u>	<u>\$ 20,625</u>	<u>\$ 1,299,308</u>
\$ 12,579	\$ 5,000	\$ 22,621
<u>12,579</u>	<u>5,000</u>	<u>12,579</u>
		<u>16,954</u>
383,373	15,625	1,247,154
<u>383,373</u>	<u>15,625</u>	<u>1,247,154</u>
<u>\$ 395,952</u>	<u>\$ 20,625</u>	<u>\$ 1,299,308</u>

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2016

	<u>Insurance Proceeds</u>	<u>Unrestricted Capital Outlay</u>	<u>Adjacent Ways</u>
Revenues:			
Other local	\$ 1,068	\$ 1,669	\$ 256
Property taxes		1,262,658	101,149
State aid and grants			
Total revenues	<u>1,068</u>	<u>1,264,327</u>	<u>101,405</u>
Expenditures:			
Current -			
Operation and maintenance of plant services	4,739		
Capital outlay		681,566	15,530
Total expenditures	<u>4,739</u>	<u>681,566</u>	<u>15,530</u>
Excess (deficiency) of revenues over expenditures	<u>(3,671)</u>	<u>582,761</u>	<u>85,875</u>
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(3,671)</u>	<u>582,761</u>	<u>85,875</u>
Fund balances, beginning of year	12,939	170,252	
Fund balances, end of year	<u>\$ 9,268</u>	<u>\$ 753,013</u>	<u>\$ 85,875</u>

<u>Bond Building</u>	<u>Energy and Water Savings</u>	<u>Building Renewal Grant</u>	<u>Totals</u>
\$ 2,840	\$	\$ 24	\$ 5,857
		97,265	1,363,807
<u>2,840</u>	<u></u>	<u>97,289</u>	<u>97,265</u>
			<u>1,466,929</u>
			4,739
840,556	5,000	97,332	1,639,984
<u>840,556</u>	<u>5,000</u>	<u>97,332</u>	<u>1,644,723</u>
<u>(837,716)</u>	<u>(5,000)</u>	<u>(43)</u>	<u>(177,794)</u>
(2,840)			(2,840)
<u>(2,840)</u>	<u></u>	<u></u>	<u>(2,840)</u>
<u>(840,556)</u>	<u>(5,000)</u>	<u>(43)</u>	<u>(180,634)</u>
1,223,929	20,625	43	1,427,788
<u>\$ 383,373</u>	<u>\$ 15,625</u>	<u>\$</u>	<u>\$ 1,247,154</u>

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL
 NON-MAJOR CAPITAL PROJECTS FUNDS
 YEAR ENDED JUNE 30, 2016**

	Insurance Proceeds		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 1,068	\$ 1,068
Property taxes			
State aid and grants			
Total revenues	<u> </u>	<u> 1,068</u>	<u> 1,068</u>
Expenditures:			
Current -			
Operation and maintenance of plant services	12,923	4,739	8,184
Capital outlay			
Total expenditures	<u> 12,923</u>	<u> 4,739</u>	<u> 8,184</u>
Excess (deficiency) of revenues over expenditures	<u> (12,923)</u>	<u> (3,671)</u>	<u> 9,252</u>
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses):	<u> </u>	<u> </u>	<u> </u>
Changes in fund balances	<u> (12,923)</u>	<u> (3,671)</u>	<u> 9,252</u>
Fund balances, beginning of year		12,939	12,939
Fund balances (deficits), end of year	<u> \$ (12,923)</u>	<u> \$ 9,268</u>	<u> \$ 22,191</u>

Unrestricted Capital Outlay			Adjacent Ways		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,669	\$ 1,669	\$	\$ 256	\$ 256
	1,262,658	1,262,658		101,149	101,149
	<u>1,264,327</u>	<u>1,264,327</u>		<u>101,405</u>	<u>101,405</u>
1,808,020	681,566	1,126,454	42,378	15,530	26,848
<u>1,808,020</u>	<u>681,566</u>	<u>1,126,454</u>	<u>42,378</u>	<u>15,530</u>	<u>26,848</u>
(1,808,020)	582,761	2,390,781	(42,378)	85,875	128,253
<u>(1,808,020)</u>	<u>582,761</u>	<u>2,390,781</u>	<u>(42,378)</u>	<u>85,875</u>	<u>128,253</u>
	170,252	170,252			
<u>\$ (1,808,020)</u>	<u>\$ 753,013</u>	<u>\$ 2,561,033</u>	<u>\$ (42,378)</u>	<u>\$ 85,875</u>	<u>\$ 128,253</u>

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2016

	Bond Building		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 2,840	\$ 2,840
Property taxes			
State aid and grants			
Total revenues		2,840	2,840
Expenditures:			
Current -			
Operation and maintenance of plant services			
Capital outlay	1,223,929	840,556	383,373
Total expenditures	1,223,929	840,556	383,373
Excess (deficiency) of revenues over expenditures	(1,223,929)	(837,716)	386,213
Other financing sources (uses):			
Transfers out		(2,840)	(2,840)
Total other financing sources (uses):		(2,840)	(2,840)
Changes in fund balances	(1,223,929)	(840,556)	383,373
Fund balances, beginning of year		1,223,929	1,223,929
Fund balances (deficits), end of year	\$ (1,223,929)	\$ 383,373	\$ 1,607,302

Energy and Water Savings			Emergency Deficiencies Correction		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
20,000	5,000	15,000	100,000		100,000
20,000	5,000	15,000	100,000		100,000
(20,000)	(5,000)	15,000	(100,000)		100,000
(20,000)	(5,000)	15,000	(100,000)		100,000
	20,625	20,625			
\$ (20,000)	\$ 15,625	\$ 35,625	\$ (100,000)	\$	\$ 100,000

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2016

	Building Renewal Grant		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 24	\$ 24
Property taxes			
State aid and grants		97,265	97,265
Total revenues		<u>97,289</u>	<u>97,289</u>
Expenditures:			
Current -			
Operation and maintenance of plant services			
Capital outlay	500,000	97,332	402,668
Total expenditures	<u>500,000</u>	<u>97,332</u>	<u>402,668</u>
Excess (deficiency) of revenues over expenditures	<u>(500,000)</u>	<u>(43)</u>	<u>499,957</u>
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(500,000)</u>	<u>(43)</u>	<u>499,957</u>
Fund balances, beginning of year		43	43
Fund balances (deficits), end of year	<u>\$ (500,000)</u>	<u>\$</u>	<u>\$ 500,000</u>

Totals		
Budget	Actual	Variance - Positive (Negative)
\$	\$ 5,857	\$ 5,857
	1,363,807	1,363,807
	97,265	97,265
	<u>1,466,929</u>	<u>1,466,929</u>
12,923	4,739	8,184
3,694,327	1,639,984	2,054,343
<u>3,707,250</u>	<u>1,644,723</u>	<u>2,062,527</u>
<u>(3,707,250)</u>	<u>(177,794)</u>	<u>3,529,456</u>
	<u>(2,840)</u>	<u>(2,840)</u>
	<u>(2,840)</u>	<u>(2,840)</u>
<u>(3,707,250)</u>	<u>(180,634)</u>	<u>3,526,616</u>
	1,427,788	1,427,788
<u>\$ (3,707,250)</u>	<u>\$ 1,247,154</u>	<u>\$ 4,954,404</u>

(This page intentionally left blank)

AGENCY FUNDS

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

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

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
 COMBINING STATEMENT OF ASSETS AND LIABILITIES
 AGENCY FUNDS
 JUNE 30, 2016**

	Student Activities	Employee Withholding	Totals
<u>ASSETS</u>			
Cash and investments	\$ 9,239	\$ 30,018	\$ 39,257
Total assets	\$ 9,239	\$ 30,018	\$ 39,257
 <u>LIABILITIES</u>			
Deposits held for others	\$	\$ 30,018	\$ 30,018
Due to student groups	9,239		9,239
Total liabilities	\$ 9,239	\$ 30,018	\$ 39,257

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 2016

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<u>STUDENT ACTIVITIES FUND</u>				
<u>Assets</u>				
Cash and investments	\$ <u>9,328</u>	\$ <u>60,282</u>	\$ <u>60,371</u>	\$ <u>9,239</u>
Total assets	\$ <u><u>9,328</u></u>	\$ <u><u>60,282</u></u>	\$ <u><u>60,371</u></u>	\$ <u><u>9,239</u></u>
<u>Liabilities</u>				
Due to student groups	\$ <u>9,328</u>	\$ <u>60,282</u>	\$ <u>60,371</u>	\$ <u>9,239</u>
Total liabilities	\$ <u><u>9,328</u></u>	\$ <u><u>60,282</u></u>	\$ <u><u>60,371</u></u>	\$ <u><u>9,239</u></u>
 <u>EMPLOYEE WITHHOLDING FUND</u>				
<u>Assets</u>				
Cash and investments	\$ <u>6,920</u>	\$ <u>52,500</u>	\$ <u>29,402</u>	\$ <u>30,018</u>
Total assets	\$ <u><u>6,920</u></u>	\$ <u><u>52,500</u></u>	\$ <u><u>29,402</u></u>	\$ <u><u>30,018</u></u>
<u>Liabilities</u>				
Deposits held for others	\$ <u>6,920</u>	\$ <u>52,500</u>	\$ <u>29,402</u>	\$ <u>30,018</u>
Total liabilities	\$ <u><u>6,920</u></u>	\$ <u><u>52,500</u></u>	\$ <u><u>29,402</u></u>	\$ <u><u>30,018</u></u>
 <u>TOTAL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash and investments	\$ <u>16,248</u>	\$ <u>112,782</u>	\$ <u>89,773</u>	\$ <u>39,257</u>
Total assets	\$ <u><u>16,248</u></u>	\$ <u><u>112,782</u></u>	\$ <u><u>89,773</u></u>	\$ <u><u>39,257</u></u>
<u>Liabilities</u>				
Deposits held for others	\$ <u>6,920</u>	\$ <u>52,500</u>	\$ <u>29,402</u>	\$ <u>30,018</u>
Due to student groups	<u>9,328</u>	<u>60,282</u>	<u>60,371</u>	<u>9,239</u>
Total liabilities	\$ <u><u>16,248</u></u>	\$ <u><u>112,782</u></u>	\$ <u><u>89,773</u></u>	\$ <u><u>39,257</u></u>

(This page intentionally left blank)

STATISTICAL SECTION

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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.

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Net Position					
Net investment in capital assets	\$ 39,758,473	\$ 38,640,803	\$ 30,183,506	\$ 28,771,451	\$ 28,482,376
Restricted	4,818,387	3,795,263	3,831,932	4,050,174	4,148,454
Unrestricted	(15,225,730)	(16,295,490)	3,936,030	5,950,114	4,555,959
Total net position	\$ 29,351,130	\$ 26,140,576	\$ 37,951,468	\$ 38,771,739	\$ 37,186,789
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Net Position					
Net investment in capital assets	\$ 28,604,753	\$ 27,343,919	\$ 26,157,743	\$ 25,263,150	\$ 24,260,811
Restricted	2,992,009	3,254,584	867,394	1,475,002	2,479,842
Unrestricted	4,587,806	4,747,852	5,886,896	4,600,625	6,845,810
Total net position	\$ 36,184,568	\$ 35,346,355	\$ 32,912,033	\$ 31,338,777	\$ 33,586,463

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Expenses					
Instruction	\$ 11,900,412	\$ 12,374,299	\$ 12,781,875	\$ 12,454,261	\$ 11,440,196
Support services - students and staff	3,510,039	3,430,901	3,283,906	3,040,258	3,164,240
Support services - administration	2,645,216	2,712,049	2,625,094	2,572,218	2,488,738
Operation and maintenance of plant services	2,653,406	2,474,993	2,384,196	2,144,670	2,225,326
Student transportation services	981,460	1,127,186	1,026,394	869,168	1,104,718
Operation of non-instructional services	2,247,788	2,143,825	2,160,462	2,113,412	2,233,673
Interest on long-term debt	465,836	533,336	449,352	583,255	634,016
Total expenses	<u>24,404,157</u>	<u>24,796,589</u>	<u>24,711,279</u>	<u>23,777,242</u>	<u>23,290,907</u>
Program Revenues					
Charges for services:					
Instruction	33,971	34,334	4,533	355,140	310,249
Operation of non-instructional services	37,751	64,811	180,150	33,759	178,052
Other activities	417,173	353,403	327,449	5,031	1,259
Operating grants and contributions	6,443,300	6,010,445	5,355,928	3,748,251	5,237,115
Capital grants and contributions	327,570	622,478	915,594	2,382,759	499,674
Total program revenues	<u>7,259,765</u>	<u>7,085,471</u>	<u>6,783,654</u>	<u>6,524,940</u>	<u>6,226,349</u>
Net (Expense)/Revenue	<u>\$ (17,144,392)</u>	<u>\$ (17,711,118)</u>	<u>\$ (17,927,625)</u>	<u>\$ (17,252,302)</u>	<u>\$ (17,064,558)</u>

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Expenses					
Instruction	\$ 12,732,049	\$ 14,447,135	\$ 15,895,707	\$ 18,278,274	\$ 16,338,329
Support services - students and staff	3,893,517	3,329,511	3,231,230	3,284,996	2,938,359
Support services - administration	2,415,304	2,401,212	2,330,333	2,337,929	2,149,305
Operation and maintenance of plant services	2,728,939	3,451,637	3,349,751	3,339,877	3,043,088
Student transportation services	1,225,373	926,422	899,076	1,194,623	923,616
Operation of non-instructional services	2,107,548	2,147,110	2,005,555	2,125,284	2,309,398
Interest on long-term debt	367,267	440,919	557,969	616,665	673,963
Total expenses	<u>25,469,997</u>	<u>27,143,946</u>	<u>28,269,621</u>	<u>31,177,648</u>	<u>28,376,058</u>
Program Revenues					
Charges for services:					
Instruction	223,032	56,031	580,944	256,207	7,828
Operation of non-instructional services	35,141	78,175	55,505	45,476	257,708
Other activities	529	94,818	7,208		5,248
Operating grants and contributions	6,613,262	7,585,665	6,760,786	5,832,100	5,465,930
Capital grants and contributions	1,107,568	498,545	65,361	207,220	382,893
Total program revenues	<u>7,979,532</u>	<u>8,313,234</u>	<u>7,469,804</u>	<u>6,341,003</u>	<u>6,119,607</u>
Net (Expense)/Revenue	<u>\$ (17,490,465)</u>	<u>\$ (18,830,712)</u>	<u>\$ (20,799,817)</u>	<u>\$ (24,836,645)</u>	<u>\$ (22,256,451)</u>

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

(Concluded)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Net (Expense)/Revenue	\$ (17,144,392)	\$ (17,711,118)	\$ (17,927,625)	\$ (17,252,302)	\$ (17,064,558)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	7,294,334	6,747,796	5,537,439	7,535,311	6,590,049
Property taxes, levied for debt service	2,787,182	2,514,917	2,784,934	2,593,661	3,052,773
Property taxes, levied for capital outlay	1,368,963	141,402	166,559		346,974
Investment income	35,198	47,470	62,805	64,612	107,062
Unrestricted county aid	713,015	707,542	707,516	723,772	737,248
Unrestricted state aid	8,045,884	7,949,054	7,789,758	7,879,644	7,206,301
Unrestricted federal aid	110,370	36,098	58,343	40,252	26,372
Special Items					
Total general revenues	20,354,946	18,144,279	17,107,354	18,837,252	18,066,779
Changes in Net Position	\$ 3,210,554	\$ 433,161	\$ (820,271)	\$ 1,584,950	\$ 1,002,221

(Continued)

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)**

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Net (Expense)/Revenue	\$ (17,490,465)	\$ (18,830,712)	\$ (20,799,817)	\$ (24,836,645)	\$ (22,256,451)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	7,557,099	8,744,357	7,853,217	6,606,775	7,821,432
Property taxes, levied for debt service	2,392,296	2,533,961	2,275,724	2,300,836	2,429,133
Property taxes, levied for capital outlay	297,412	384,076	344,935	32,825	243,881
Investment income	42,048	62,230	106,229	339,354	209,748
Unrestricted county aid	716,484	842,960			9,386
Unrestricted state aid	7,163,436	8,729,401	11,792,968	13,309,169	12,826,770
Unrestricted federal aid	159,903				
Special Items		(31,950)			
Total general revenues	<u>18,328,678</u>	<u>21,296,985</u>	<u>22,373,073</u>	<u>22,588,959</u>	<u>23,540,350</u>
Changes in Net Position	<u>\$ 838,213</u>	<u>\$ 2,466,273</u>	<u>\$ 1,573,256</u>	<u>\$ (2,247,686)</u>	<u>\$ 1,283,899</u>

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

Note: The Arizona State Legislature suspended county equalization payments to school districts for fiscal years 2006-07 through 2008-09.

(Concluded)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Fund:					
Nonspendable	\$	\$	\$	\$	\$ 130,000
Unassigned	3,136,937	2,075,161	1,794,565	3,139,889	2,295,840
Reserved					
Unreserved					
Total General Fund	<u>\$ 3,136,937</u>	<u>\$ 2,075,161</u>	<u>\$ 1,794,565</u>	<u>\$ 3,139,889</u>	<u>\$ 2,425,840</u>
All Other Governmental Funds:					
Restricted	\$ 4,963,434	\$ 4,764,778	\$ 12,328,582	\$ 10,082,925	\$ 14,537,182
Unassigned		(81,677)	(77)		
Total all other governmental funds	<u>\$ 4,963,434</u>	<u>\$ 4,683,101</u>	<u>\$ 12,328,505</u>	<u>\$ 10,082,925</u>	<u>\$ 14,537,182</u>

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
General Fund:					
Nonspendable	\$	\$	\$	\$	\$
Unassigned	2,410,947				
Reserved		226,112	180,800	51,785	460,388
Unreserved		1,042,348	(489,579)	(157,947)	1,290,225
Total General Fund	<u>\$ 2,410,947</u>	<u>\$ 1,268,460</u>	<u>\$ (308,779)</u>	<u>\$ (106,162)</u>	<u>\$ 1,750,613</u>
All Other Governmental Funds:					
Restricted	2,589,330				
Unassigned	(24,135)				
Reserved	\$ -	\$ -	\$ 32,055	\$ 35,171	\$ 38,591
Unreserved, reported in:					
Special revenue funds		2,757,593	3,016,748	2,392,614	2,707,848
Capital projects funds		982,657	677,067	1,285,297	2,263,487
Debt service fund		120,740	30,473	144,139	164,759
Total all other governmental funds	<u>\$ 2,565,195</u>	<u>\$ 3,860,990</u>	<u>\$ 3,756,343</u>	<u>\$ 3,857,221</u>	<u>\$ 5,174,685</u>

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

Note: The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 54 were adopted in fiscal year 2011. The standard replaces the previous reserved and unreserved fund balance categories with the following five fund balance classifications: nonspendable, restricted, committed, assigned, and unassigned fund balance.

(Concluded)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Federal sources:					
Federal grants	\$ 4,162,312	\$ 3,478,747	\$ 3,826,637	\$ 4,012,796	\$ 3,459,893
Education Jobs					7,711
National School Lunch Program	2,298,120	2,237,477	2,212,438	2,046,499	1,985,790
Total federal sources	<u>6,460,432</u>	<u>5,716,224</u>	<u>6,039,075</u>	<u>6,059,295</u>	<u>5,453,394</u>
State sources:					
State equalization assistance	7,034,238	6,959,283	6,794,264	6,943,756	6,410,246
State grants	109,635	90,567	27,005	17,903	131,142
School Facilities Board	97,265	373,853			
Other revenues	1,011,646	989,771	995,494	935,888	796,055
Total state sources	<u>8,252,784</u>	<u>8,413,474</u>	<u>7,816,763</u>	<u>7,897,547</u>	<u>7,337,443</u>
Local sources:					
Property taxes	11,524,030	9,425,697	8,554,092	10,198,436	10,088,673
County aid	713,015	707,542	707,516	723,772	737,248
Food service sales	37,751	35,663	41,624	33,759	22,951
Investment income	34,589	47,470	62,805	64,612	107,062
Other revenues	763,255	816,978	724,073	439,458	550,068
Total local sources	<u>13,072,640</u>	<u>11,033,350</u>	<u>10,090,110</u>	<u>11,460,037</u>	<u>11,506,002</u>
Total revenues	<u><u>\$ 27,785,856</u></u>	<u><u>\$ 25,163,048</u></u>	<u><u>\$ 23,945,948</u></u>	<u><u>\$ 25,416,879</u></u>	<u><u>\$ 24,296,839</u></u>

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Federal sources:					
Federal grants	\$ 5,069,207	\$ 5,336,550	\$ 4,002,016	\$ 3,617,671	\$ 3,421,356
State Fiscal Stabilization (ARRA)	99,826				
Education Jobs	502,437				
National School Lunch Program	1,978,492	1,982,352	1,745,924	1,855,872	1,975,846
Total federal sources	<u>7,649,962</u>	<u>7,318,902</u>	<u>5,747,940</u>	<u>5,473,543</u>	<u>5,397,202</u>
State sources:					
State equalization assistance	6,470,264	9,616,856	9,809,220	11,447,492	11,142,315
State grants	284,283	449,523	458,515	503,859	396,287
School Facilities Board					200,457
Other revenues	693,172	842,960	1,507,096	1,710,280	1,526,455
Total state sources	<u>7,447,719</u>	<u>10,909,339</u>	<u>11,774,831</u>	<u>13,661,631</u>	<u>13,265,514</u>
Local sources:					
Property taxes	10,313,452	11,408,301	10,188,461	8,959,416	10,511,301
County aid	716,484				9,386
Food service sales	35,141	48,537	55,505	45,326	40,750
Investment income	42,048	62,230	96,272	250,802	209,748
Other revenues	302,252	340,640	759,183	529,922	261,034
Total local sources	<u>11,409,377</u>	<u>11,859,708</u>	<u>11,099,421</u>	<u>9,785,466</u>	<u>11,032,219</u>
Total revenues	<u>\$ 26,507,058</u>	<u>\$ 30,087,949</u>	<u>\$ 28,622,192</u>	<u>\$ 28,920,640</u>	<u>\$ 29,694,935</u>

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

Note: The Arizona State Legislature suspended county equalization payments to school districts for fiscal years 2006-07 through 2008-09.

(Concluded)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Expenditures:					
Current -					
Instruction	\$ 10,135,657	\$ 10,143,475	\$ 10,899,092	\$ 10,263,289	\$ 9,469,956
Support services - students and staff	3,367,883	3,124,357	3,012,972	2,841,126	2,846,260
Support services - administration	2,573,982	2,521,716	2,498,194	2,368,473	2,426,795
Operation and maintenance of plant services	2,378,419	2,150,011	2,084,109	1,930,599	2,081,048
Student transportation services	788,799	866,115	803,090	668,731	862,891
Operation of non-instructional services	2,184,851	2,064,814	2,096,300	2,070,384	2,175,459
Capital outlay	2,254,466	8,805,178	4,407,617	5,885,583	5,055,810
Debt service -					
Judgments against the district					
Interest, premium and fiscal charges	534,690	602,190	567,734	548,902	575,320
Principal retirement	2,225,000	2,250,000	2,205,000	2,450,000	4,452,480
Bond issuance costs			132,044		291,542
Total expenditures	<u>\$ 26,443,747</u>	<u>\$ 32,527,856</u>	<u>\$ 28,706,152</u>	<u>\$ 29,027,087</u>	<u>\$ 30,237,561</u>
Expenditures for capitalized assets	\$ 1,626,980	\$ 7,883,012	\$ 3,754,127	\$ 5,272,586	\$ 3,569,086
Debt service as a percentage of noncapital expenditures	11%	12%	11%	13%	19%

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Expenditures:					
Current -					
Instruction	\$ 11,074,116	\$ 12,824,649	\$ 13,380,775	\$ 15,649,448	\$ 14,587,618
Support services - students and staff	3,475,937	3,242,297	3,158,334	3,020,697	2,816,771
Support services - administration	2,278,640	2,332,020	2,271,630	2,254,813	2,064,051
Operation and maintenance of plant services	2,632,510	3,509,666	3,418,779	3,029,490	2,887,948
Student transportation services	1,002,082	771,360	751,385	931,647	832,141
Operation of non-instructional services	2,041,353	1,962,737	1,924,939	2,102,278	2,201,959
Capital outlay	2,453,896	1,186,396	1,231,097	2,349,165	1,266,509
Debt service -					
Judgments against the district			48,399		
Interest, premium and fiscal charges	308,571	382,223	499,273	557,969	615,267
Principal retirement	2,250,337	2,011,248	2,397,032	2,086,539	2,192,501
Bond issuance costs					
Total expenditures	<u>\$ 27,517,442</u>	<u>\$ 28,222,596</u>	<u>\$ 29,081,643</u>	<u>\$ 31,982,046</u>	<u>\$ 29,464,765</u>
Expenditures for capitalized assets	\$ 1,029,964	\$ 510,688	\$ 386,348	\$ 569,596	\$ 678,702
Debt service as a percentage of noncapital expenditures	10%	9%	10%	8%	10%

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

(Concluded)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Excess (deficiency) of revenues over expenditures	\$ 1,342,109	\$ (7,364,808)	\$ (4,760,204)	\$ (3,610,208)	\$ (5,940,722)
Other financing sources (uses):					
School improvement bonds issued			5,445,000		15,555,000
Premium on sale of bonds			215,460		522,802
Capital lease agreements					1,719,800
Transfers in	395,114	420,491	691,326	517,361	582,400
Transfers out	<u>(395,114)</u>	<u>(420,491)</u>	<u>(691,326)</u>	<u>(517,361)</u>	<u>(582,400)</u>
Total other financing sources (uses)			<u>5,660,460</u>		<u>17,797,602</u>
Changes in fund balances	<u>\$ 1,342,109</u>	<u>\$ (7,364,808)</u>	<u>\$ 900,256</u>	<u>\$ (3,610,208)</u>	<u>\$ 11,856,880</u>
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Excess (deficiency) of revenues over expenditures	\$ (1,010,384)	\$ 1,865,353	\$ (459,451)	\$ (3,061,406)	\$ 230,170
Other financing sources (uses):					
Capital lease agreements	691,546		30,057	299,190	445,426
Transfers in	506,107	238,745	275,727	188,084	137,345
Transfers out	<u>(506,107)</u>	<u>(238,745)</u>	<u>(275,727)</u>	<u>(188,084)</u>	<u>(137,345)</u>
Total other financing sources (uses)	<u>691,546</u>		<u>30,057</u>	<u>299,190</u>	<u>445,426</u>
Changes in fund balances	<u>\$ (318,838)</u>	<u>\$ 1,865,353</u>	<u>\$ (429,394)</u>	<u>\$ (2,762,216)</u>	<u>\$ 675,596</u>

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Commercial, Industrial, Utilities and Mining	\$ 162,546,313	\$ 169,658,450	\$ 163,070,494	\$ 184,693,368	\$ 203,891,518
Agricultural and Vacant	11,185,333	11,148,713	11,377,187	11,753,959	14,755,903
Residential (Owner Occupied)	36,279,085	35,233,330	33,905,124	38,860,884	47,121,405
Residential (Rental)	43,326,417	41,156,851	37,079,385	34,829,219	42,903,477
Railroad, Private Cars and Airlines	618,813	664,578	591,718	729,991	646,380
Historical Property	122,944	116,413	98,976	99,780	99,780
Certain Government Property Improvements	8,001	7,620	7,380	5,300	5,784
Total	\$ 254,086,906	\$ 257,985,955	\$ 246,130,264	\$ 270,972,501	\$ 309,424,247
Gross Full Cash Value	\$ 2,982,502,499	\$ 2,620,418,653	\$ 2,423,056,100	\$ 2,508,746,505	\$ 2,829,301,414
Ratio of Net Limited Assessed Value to Gross Full Cash Value	8.52%	9.85%	10.16%	10.80%	10.94%
Total Direct Rate	4.4	3.74	3.43	3.71	3.46

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Commercial, Industrial, Utilities and Mining	\$ 252,120,782	\$ 250,951,724	\$ 259,184,298	\$ 243,561,964	\$ 218,715,120
Agricultural and Vacant	17,718,630	15,522,419	15,777,310	13,005,937	11,748,893
Residential (Owner Occupied)	70,855,427	77,591,521	68,575,153	57,939,050	45,866,957
Residential (Rental)	52,499,818	52,668,202	45,920,069	41,329,047	42,384,159
Railroad, Private Cars and Airlines	653,107	681,905	787,042	842,713	869,497
Historical Property	105,499	7,015	6,474	27,675	3,963
Certain Government Property Improvements					
Total	\$ 393,953,263	\$ 397,422,786	\$ 390,250,346	\$ 356,706,386	\$ 319,588,589
Gross Full Cash Value	\$ 3,649,106,598	\$ 4,044,891,724	\$ 4,019,490,951	\$ 3,418,801,546	\$ 2,591,689,668
Ratio of Net Limited Assessed Value to Gross Full Cash Value	10.80%	9.83%	9.71%	10.43%	12.33%
Total Direct Rate	2.63	2.83	2.81	2.51	3.34

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.

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NET FULL CASH ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Commercial, Industrial, Utilities and Mining	\$ 182,881,685	\$ 171,404,058	\$ 165,858,681	\$ 185,769,317	\$ 204,895,827
Agricultural and Vacant	12,183,835	11,414,015	11,426,990	11,807,666	15,044,957
Residential (Owner Occupied)	50,315,544	37,592,991	34,458,705	39,473,268	47,161,689
Residential (Rental)	56,270,213	48,500,016	40,335,551	34,889,212	43,180,841
Railroad, Private Cars and Airlines	630,639	670,794	597,298	744,049	722,266
Historical Property	173,750	162,090	99,051	99,781	99,781
Certain Government Property Improvements	8,155	7,620			
Total	<u>\$ 302,463,821</u>	<u>\$ 269,751,584</u>	<u>\$ 252,783,656</u>	<u>\$ 272,788,593</u>	<u>\$ 311,111,145</u>
Gross Full Cash Value					
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10.14%	10.29%	10.43%	10.87%	11.00%
Total Direct Rate	4.40	3.74	3.43	3.71	3.46

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Commercial, Industrial, Utilities and Mining	\$ 277,710,706	\$ 296,793,043	\$ 292,087,411	\$ 267,178,951	\$ 235,859,011
Agricultural and Vacant	22,134,224	21,852,080	21,741,909	18,314,252	15,334,062
Residential (Owner Occupied)	71,429,173	95,732,150	95,113,688	79,529,325	47,554,506
Residential (Rental)	55,130,366	66,753,928	60,875,804	53,594,305	43,988,736
Railroad, Private Cars and Airlines	781,223	806,101	889,174	931,748	920,853
Historical Property	105,529	7,028	7,028		
Certain Government Property Improvements					
Total	<u>\$ 427,291,221</u>	<u>\$ 481,944,330</u>	<u>\$ 470,715,014</u>	<u>\$ 419,664,811</u>	<u>\$ 343,664,968</u>
Gross Full Cash Value					
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	11.71%	11.91%	11.71%	12.28%	13.26%
Total Direct Rate	2.63	2.83	2.81	2.51	3.34

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 the 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.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
PROPERTY TAX ASSESSMENT RATIOS
LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Commercial, Industrial, Utilities and Mining	19 %	19 %	20 %	20 %	20 %
Agricultural and Vacant	16	16	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	15	16	15	15	15

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Commercial, Industrial, Utilities and Mining	21 %	22 %	23 %	24 %	25 %
Agricultural and Vacant	16	16	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	17	18	20	21	22

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.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Overlapping Rates							District Direct Rates		
	State Equalization	County	Community College District	Central Arizona Water	City of Phoenix	City of Scottsdale	Phoenix Union High School District No. 210	Primary	Secondary	Total
	2016	0.51	1.36	1.49	0.14	1.82	1.15	4.96	2.10	2.30
2015	0.51	1.32	1.52	0.14	1.82	1.24	4.62	2.10	1.64	3.74
2014	0.51	1.79	1.53	0.14	1.82	1.29	4.82	1.64	1.79	3.43
2013	0.47	1.24	1.38	0.10	1.82	1.23	4.27	2.09	1.62	3.71
2012	0.43	1.24	1.21	0.10	1.82	1.09	2.91	2.02	1.44	3.46
2011	0.36	1.05	0.97	0.10	1.82	0.75	2.43	1.63	1.00	2.63
2010	0.33	1.16	0.88	0.10	1.82	0.74	2.95	1.85	0.98	2.83
2009		1.03	0.94	0.10	1.82	0.79	3.06	1.96	0.85	2.81
2008		1.10	0.98	0.10	1.82	0.79	3.42	1.39	1.12	2.51
2007		1.18	1.06	0.01	1.82	0.97	3.79	1.97	1.37	3.34

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

Note: Information for state equalization is only available beginning fiscal year 2010.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<u>Taxpayer</u>	<u>2016</u>		<u>2007</u>	
	<u>Net Limited Assessed Valuation</u>	<u>Percentage of District's Net Limited Valuation</u>	<u>Net Full Cash Assessed Valuation</u>	<u>Percentage of District's Net Full Cash Assessed Valuation</u>
Pecan Holdings LLC	\$ 3,519,372	6.21 %	\$	%
Target Corporation	2,187,565	3.86		
Bank of America	1,218,462	2.15		
Kroger's - Fry's - Smith's Food & Drug Centers Inc.	1,218,462	2.15	1,623,010	3.51
83 DGLLC/83 SGLLC/ 83 MBLLC/ 83 JPLLC	425,045	0.75		
Southern California Edison Co. (T&D)	408,043	0.72	748,388	1.62
Arizona Public Service Company	402,376	0.71	564,707	1.22
Empire Residential Opportunity Fund LLC	374,040	0.66		
Broden Country Corners LLC	357,038	0.63		
GBC Properties LLC	345,703	0.61		
DR Horton In. - Dietz Crane			752,391	1.63
Oak Realty Partners Inc.			734,119	1.59
Gerben Boschma - Family Dairies			687,304	1.48
Van Hofwegan Dairies			601,043	1.30
Tivoli Holdings LLC			515,869	1.11
Security Title Agency			440,812	0.95
EDW C Levy Company			374,830	0.81
 Total	 <u>\$ 10,456,106</u>	 <u>18.45 %</u>	 <u>\$ 7,042,473</u>	 <u>15.22 %</u>

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

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

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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
2016	\$ 11,832,562	\$ 11,643,183	98.40 %	\$	\$ 11,643,183	98.40 %
2015	9,741,000	9,487,498	97.40	250,222	9,737,720	99.97
2014	8,752,479	8,520,630	97.35	229,340	8,749,970	99.97
2013	10,271,758	9,885,232	96.24	380,284	10,265,516	99.94
2012	10,939,878	10,379,764	94.88	518,647	10,898,411	99.62
2011	10,718,273	10,125,508	94.47	584,808	10,710,316	99.93
2010	12,076,051	11,325,897	93.79	742,081	12,067,978	99.93
2009	10,848,634	10,305,406	94.99	481,414	10,786,820	99.43
2008	9,877,612	9,685,737	98.06	186,577	9,872,314	99.95
2007	11,401,755	11,209,802	98.32	191,104	11,400,906	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.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	General Obligation Bonds						Total Outstanding Debt				
	General Obligation Bonds	Less: Amounts Restricted for Principal	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Capital Leases	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Percentage of Personal Income	
2016	\$ 16,522,140	133,864	\$ 16,388,276	0.55 %	\$ 546	\$	\$ 16,522,140	0.55 %	\$ 550	0.01 %	
2015	18,840,994	94,948	18,746,046	0.72	641		18,840,994	0.72	644	0.01	
2014	21,114,848	358,736	20,756,112	0.86	703		21,114,848	0.87	715	0.01	
2013	18,022,770	175,644	17,847,126	0.71	600		18,022,770	0.72	606	0.01	
2012	20,262,802	496,080	19,766,722	0.70	658		20,262,802	0.72	674	0.01	
2011	6,280,000	133,752	6,146,248	0.17	109	547,680	6,827,680	0.19	121	0.00	
2010	8,280,000	120,740	8,159,260	0.20	145	11,471	8,291,471	0.20	147	0.01	
2009	10,200,000	30,473	10,169,527	0.25	339	22,719	10,222,719	0.25	341	0.01	
2008	12,035,000	144,139	11,890,861	0.35	396	469,694	12,504,694	0.37	417	0.01	
2007	13,825,000	164,759	13,660,241	0.53	455	422,043	14,247,043	0.55	475	0.01	

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

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2016**

<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	\$ 654,190,000	0.78 %	\$ 5,102,682
City of Phoenix	1,526,775,000	2.39	36,489,923
City of Scottsdale	967,224,000	0.30	2,901,672
Phoenix Union High School District No. 210	305,670,000	6.18	18,890,406
Subtotal, Overlapping Debt			<u>63,384,683</u>
Direct:			
Balsz Elementary School District No. 31			<u>16,522,140</u>
Total Direct and Overlapping Governmental Activities Debt			<u>\$ 79,906,823</u>

DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation		6.45 %
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 2,656	
As a Percentage of Net Limited Assessed Valuation		31.40 %
As a Percentage of Gross Full Cash Value		2.67 %

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.

- Notes:**
- 1) Estimated percentage of debt outstanding applicable to the District is calculated based on a portion of the District's net limited assessed valuation as a percentage of the net limited assessed valuation of the overlapping jurisdiction.
 - 2) Outstanding debt as of June 30, 2015 is presented for the overlapping governments as this is the most recent available information.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

Class B Bond Legal Debt Margin Calculation for Fiscal Year 2015:

Net full cash assessed valuation	\$ 302,463,821
Debt limit (10% of assessed value)	30,246,382
Debt applicable to limit	<u>16,095,000</u>
Legal debt margin	<u><u>\$ 14,151,382</u></u>

Total Legal Debt Margin Calculation for Fiscal Year 2015:

Net Full Cash assessed valuation	\$ 302,463,821
Debt limit (15% of assessed value)	45,369,573
Debt applicable to limit	<u>16,095,000</u>
Legal debt margin	<u><u>\$ 29,274,573</u></u>

Fiscal Year Ended June 30

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Debt Limit	\$ 45,369,573	\$ 40,462,738	\$ 37,917,548	\$ 40,918,289	\$ 46,666,672
Total net debt applicable to limit	<u>16,095,000</u>	<u>18,345,000</u>	<u>20,550,000</u>	<u>17,555,000</u>	<u>19,740,000</u>
Legal debt margin	<u><u>\$ 29,274,573</u></u>	<u><u>\$ 22,117,738</u></u>	<u><u>\$ 17,367,548</u></u>	<u><u>\$ 23,363,289</u></u>	<u><u>\$ 26,926,672</u></u>
Total net debt applicable to the limit as a percentage of debt limit	35%	45%	54%	43%	42%

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Debt Limit	\$ 64,093,683	\$ 72,291,650	\$ 70,607,252	\$ 62,949,722	\$ 51,549,745
Total net debt applicable to limit	<u>20,262,802</u>	<u>6,280,000</u>	<u>8,280,000</u>	<u>10,200,000</u>	<u>12,035,000</u>
Legal debt margin	<u><u>\$ 43,830,881</u></u>	<u><u>\$ 66,011,650</u></u>	<u><u>\$ 62,327,252</u></u>	<u><u>\$ 52,749,722</u></u>	<u><u>\$ 39,514,745</u></u>
Total net debt applicable to the limit as a percentage of debt limit	32%	9%	12%	16%	23%

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

- Notes:** 1) The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds and the statutory debt limit on Class B bonds. The calculations of the debt margins are presented in detail for the current fiscal year only.
- 2) Bond premium is not subject to the statutory debt limit.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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>
2015	4,076,438	\$ 184,784,917	\$ 42,092	5.5 %	30,036
2014	4,008,651	168,483,421	29,219	5.1	29,235
2013	4,009,412	147,700,000	27,552	6.2	29,516
2012	3,824,058	147,374,500	33,238	9.1	29,758
2011	3,843,370	142,864,275	37,352	8.4	30,056
2010	4,071,611	148,115,000	33,116	8.7	56,379
2009	4,023,331	149,611,000	34,282	7.1	56,379
2008	3,987,942	139,665,253	36,135	4.8	30,000
2007	3,907,492	132,423,154	35,046	3.2	30,000
2006	3,792,675	120,716,738	33,178	3.5	30,000

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 from 2005 through 2010 is the University of Arizona, Eller College of Management, Economic and Business Research Center. For 2011 through 2014, the source of the information is the Arizona Office of Employment and Population Statistics.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<u>Employer</u>	<u>2016</u>		<u>2007</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
State of Arizona	50,820	2.67 %	34,600	1.90 %
Banner Health Systems	41,530	2.18	16,000	0.90
Wal-Mart Stores Inc.	32,370	1.70	29,500	1.60
Fry's Food and Drug Stores	17,290	0.91	6,500	0.40
City of Phoenix	14,590	0.77	16,318	0.90
Wells Fargo Company	14,480	1.70	9,900	0.50
Maricopa County	13,570	0.71	13,000	0.70
Arizona State University	12,680	0.67	11,200	0.60
Dignity Health	12,100	0.64		
University of Arizona	11,440	0.60		
Intel Corp.			10,000	0.50
Bank of America			6,600	0.40
U.S. Postal Service			9,500	0.50
Honeywell			12,000	0.70
Total	<u>220,870</u>	<u>12.55 %</u>	<u>175,118</u>	<u>9.60 %</u>
Total employment	<u>1,902,687</u>		<u>1,838,500</u>	

Source: The source of this information is The Business Journal Book of Lists.

Note: Information is presented County-wide.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
 LAST TEN FISCAL YEARS**

	Full-time Equivalent Employees as of June 30				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Supervisory					
Consultants/supervisors of instruction	1	1	1	1	1
Principals	4	4	4	5	5
Assistant principals	2	2	2	1	1
Total supervisory	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>
Instruction					
Teachers	148	148	140	148	149
Aides	38	38	35	42	40
Total instruction	<u>186</u>	<u>186</u>	<u>175</u>	<u>190</u>	<u>189</u>
Student Services					
Librarians	4	4	4	4	5
Technicians	18	18	21	17	16
Total student services	<u>22</u>	<u>22</u>	<u>25</u>	<u>21</u>	<u>21</u>
Support and Administration					
Service workers	54	54	54	55	57
Unskilled laborers	13	13	16	15	10
Total support and administration	<u>67</u>	<u>67</u>	<u>70</u>	<u>70</u>	<u>67</u>
Total	<u><u>282</u></u>	<u><u>282</u></u>	<u><u>277</u></u>	<u><u>288</u></u>	<u><u>284</u></u>

(Continued)

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS**

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Supervisory					
Consultants/supervisors of instruction	1	1	5	1	1
Principals	5	5	4	5	5
Assistant principals	1	3		4	4
Total supervisory	<u>7</u>	<u>9</u>	<u>9</u>	<u>10</u>	<u>10</u>
Instruction					
Teachers	167	164	188	188	193
Aides	36	47	36	38	43
Total instruction	<u>203</u>	<u>211</u>	<u>224</u>	<u>226</u>	<u>236</u>
Student Services					
Librarians	5	4	3	3	5
Technicians	20	24	20	20	19
Total student services	<u>25</u>	<u>28</u>	<u>23</u>	<u>23</u>	<u>24</u>
Support and Administration					
Service workers	39	39	38	40	36
Unskilled laborers	20	20	32	34	42
Total support and administration	<u>59</u>	<u>59</u>	<u>70</u>	<u>74</u>	<u>78</u>
Total	<u><u>294</u></u>	<u><u>307</u></u>	<u><u>326</u></u>	<u><u>333</u></u>	<u><u>348</u></u>

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

(Concluded)

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Average Daily Membership	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Free/Reduced Students
2016	2,334	\$ 21,429,591	\$ 9,181	6.86 %	\$ 24,404,157	\$ 10,456	2.42 %	186	12.5	91.2 %
2015	2,429	20,870,488	8,592	(0.04)	24,796,589	10,209	2.82	186	13.1	92.0
2014	2,489	21,393,757	8,595	8.13	24,711,279	9,928	5.81	175	14.2	91.2
2013	2,534	20,142,602	7,949	2.41	23,777,242	9,383	3.10	190	13.3	91.2
2012	2,559	19,862,409	7,762	(9.36)	23,290,907	9,102	(6.09)	189	13.5	88.4
2011	2,628	22,504,638	8,563	(8.29)	25,469,997	9,692	(5.77)	203	12.9	88.4
2010	2,639	24,642,729	9,338	4.08	27,143,946	10,286	1.00	211	12.5	88.4
2009	2,776	24,905,842	8,972	4.78	28,269,621	10,184	2.95	224	12.4	88.4
2008	3,152	26,988,373	8,562	11.96	31,177,648	9,891	15.73	226	13.9	80.0
2007	3,320	25,390,488	7,648	15.49	28,376,058	8,547	14.00	236	14.1	86.9

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

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

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
CAPITAL ASSETS INFORMATION
LAST TEN FISCAL YEARS**

	Fiscal Year Ended June 30									
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<u>Schools</u>										
<u>Elementary</u>										
Buildings	5	5	5	5	5	5	5	5	5	5
Square feet	440,060	440,060	400,347	400,347	400,347	400,347	400,347	400,347	400,347	400,347
Capacity	4,014	4,014	3,954	3,954	3,954	3,954	3,954	3,954	3,954	3,954
Enrollment	2,429	2,582	2,678	2,681	2,671	2,750	2,750	2,813	3,403	3,403
<u>Administrative</u>										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
<u>Transportation</u>										
Garages	1	1	1	1	1	1	1	1	1	1
Buses	18	18	18	18	13	13	13	13	13	13
<u>Athletics</u>										
Baseball/softball	6	6	6	6	6	6	6	6	6	6
Playgrounds	6	6	6	6	6	6	6	6	6	6

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