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# **KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**

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## **Comprehensive Annual Financial Report**

Fiscal Year Ended June 30, 2019



**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**

**TEMPE, ARIZONA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Issued by:  
Business and Finance Department

# KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28

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## **INTRODUCTORY SECTION**



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#### Elementary Schools

Brisas  
Cerritos  
Cielo  
Colina  
Esperanza  
Estrella  
Lagos  
Lomas  
Manitas  
Mariposa  
Milenio  
Mirada

#### Monte Vista

Niños  
Norte  
Paloma  
Sierra  
Waggoner

#### PreK-8 School

Kyrene Traditional  
Academy

#### Middle Schools

Akimel A-al  
Altadena  
Aprende  
Centennial  
Kyrene  
Pueblo

#### Administration

Jan Vesely, Ed. D.  
*Superintendent*

Mark Knight, Ph. D.  
*Assistant Superintendent*

Laura Toenjes, M.A. Ed  
*Assistant Superintendent*

Susie Ostmeyer, Ph. D.  
*Chief Information and  
Accountability Officer*

Chris Herrmann  
*Chief Financial Officer*

#### Governing Board

Michelle Fahy  
John King  
Michael Myrick  
Margaret Pratt  
Kevin Walsh

December 30, 2019

Citizens and Governing Board  
Kyrene Elementary School District No. 28  
8700 South Kyrene Rd.  
Tempe, AZ 85284-2197

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 Kyrene Elementary School District No. 28 (District) for the fiscal year ended June 30, 2019.

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, 2019, 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.

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8700 S. Kyrene Road • Tempe, Arizona 85284 • web: kyrene.org • phone: (480) 541-1000

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, 2019, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

## **PROFILE OF THE DISTRICT**

The District is one of 58 public school districts located in Maricopa County, Arizona and provides a program of public education from preschool through grade eight. The projected enrollment for fiscal year 2019-20 is 16,683 students who are served by 18 elementary schools, six middle schools, and one K-8 campus.

The District's mission is to "commit to student success for all, by providing engaging, challenging educational environments which promote and inspire passion for learning, leading, and achieving transformative life outcomes." The vision for Kyrene Elementary School District is "all students achieve at their maximum potential to become problem solvers, creators, and visionaries of tomorrow."

In support of these objectives, the District provides an excellent education to students with academic support, outstanding teachers and staff, and excellent facilities. Kyrene School District has been offering students an exceptional education for more than 130 years, and the success is evident in the District's accolades. Kyrene students excel by consistently outperforming statewide averages on AzMERIT tests and receive high rankings among school lists.



Some of the highlights include:

1. Eight Kyrene schools scored in the top 10% of all Arizona district and charter schools on AzMERIT English Language Arts.
2. Eight Kyrene schools scored in the top 10% of all Arizona district and charter schools on AzMERIT Math.
3. Kyrene students outperformed peer district averages by 20 percentage points in English Language Arts and 16 percentage points in Math.
4. Kyrene students outperformed charter schools by 9 percentage points in both Math and English Language Arts.
5. 72% of all Kyrene students showed growth in AzMERIT English Language Arts.
6. Kyrene has 15 schools that are recognized as A+ Schools of Excellence by the Arizona Educational Foundation.
7. Kyrene has two National Blue Ribbon Schools, Kyrene Traditional Academy and Kyrene de la Sierra.

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, food services, and athletic functions.



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.** Maricopa County is located in the south-central portion of Arizona and encompasses an area of approximately 9,222 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 fifteenth in land area. The County's 2018 population was estimated at 4.4 million.

The County has a diverse economy and is home to a growing high-tech industry, tourism, manufacturing, service-based industries, and agriculture. The County's top employer is the State of Arizona and other major employers include education, healthcare, and aerospace.

The District is located across Tempe, Chandler and Phoenix. A few of the major companies represented in this metropolitan area include Banner Health Systems, Wal-Mart Stores, Inc., Wells Fargo, Dignity Health, Honeywell, and Intel. In addition, this metropolitan area continues to provide excellent educational and training opportunities through seven community colleges, four private colleges and graduate schools, and one state university.

**Long-term Financial Planning.** The District has developed a strategic plan that identifies goals in the following areas: High Performing Students, High Quality Talent, Inclusive Culture, Responsive Organization, and Collective Governance. Under the goal of Responsive Organization, strategies have been developed to enhance resources, ensure efficient operations, and implement continuous process improvements.

As part of the strategy to enhance resources, the District has developed a comprehensive Capital Master Plan to identify capital spending requirements over the next 10 years. This long-term capital planning allows the District to identify projects necessary to keep schools and facilities operating at high functioning levels as the average age of the buildings in the District is 30 years.

The District has a balanced budget, maintains cost and budget controls, forecasts future enrollment trends, and aligns spending programs to long-term strategic initiatives. The District has also achieved the highest bond ratings in the state of Arizona as a result of a robust financial position coupled with a large and stable tax base. The District currently maintains a bond rating of “Aa2” from Moody’s and “AA” from Standard and Poor’s.

The District maintains strong ties and support from the local community. In November 2017, community members in the Kyrene School District voted to approve the continuation of a 15% Maintenance and Operations override, continuation of a Capital Override in the amount of \$6.8 million per year, and authorized the District to issue \$116.95 million in new bond sales.

## **AWARDS AND ACKNOWLEDGMENTS**

**Awards.** The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting and the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for comprehensive annual financial reports for the year ended June 30, 2018. 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, 2019 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, preparation of this report would not have been possible.

Respectfully submitted,



Dr. Jan Vesely  
Superintendent



Chris Herrmann  
Chief Financial Officer



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

**Kyrene Elementary School District No. 28**

**for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2018.**

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



A handwritten signature in black ink, appearing to read 'Tom Wohlleber'.

Tom Wohlleber, CSRM  
President

A handwritten signature in black ink, appearing to read 'David J. Lewis'.

David J. Lewis  
Executive Director





Government Finance Officers Association

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

Presented to

**Kyrene Elementary School District  
Arizona**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2018**

*Christopher P. Morrell*

Executive Director/CEO



**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**

**LIST OF PRINCIPAL OFFICIALS**

**GOVERNING BOARD**

Michael Myrick, President

Kevin Walsh, Vice President

John King, Member

Michelle Fahy, Member

Margaret Pratt, Member

**ADMINISTRATIVE STAFF**

Dr. Jan Vesely, Superintendent

Dr. Mark Knight, Assistant Superintendent

Chris Herrmann, Chief Financial Officer

Laura Toenjes, Assistant Superintendent

Dr. Susie Ostmeyer, Chief Information and Accountability Officer

## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

Governing Board  
Kyrene Elementary School District No. 28

### **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 Kyrene Elementary School District No. 28 (District), as of and for the year ended June 30, 2019, 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 Kyrene Elementary School District No. 28, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### ***Other Matters***

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

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

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

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

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

The Introductory 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 30, 2019, on our consideration of Kyrene Elementary School District No. 28'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 solely describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Kyrene Elementary School District No. 28's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Kyrene Elementary School District No. 28's internal control over financial reporting and compliance.

*Heinfeld Meech & Co. PC*

Heinfeld, Meech & Co., P.C.  
Phoenix, Arizona  
December 30, 2019

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



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**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

As management of the Kyrene Elementary School District No. 28 (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, 2019. 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 \$1.8 million which represents a five percent increase from the prior fiscal year.
- General revenues accounted for \$145.4 million in revenue, or 83 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$30.0 million or 17 percent of total current fiscal year revenues.
- The District had approximately \$173.6 million in expenses related to governmental activities, an increase of nine percent from the prior fiscal year. The increase is primarily related to an increase in instructional expenditures due to staff salary increases and bond principal payments.
- Among major funds, the General Fund had \$107.1 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$108.0 million in expenditures. The General Fund's fund balance increased from \$20.5 million at the prior fiscal year end, to \$21.8 million at the end of the current fiscal year.
- The Debt Service Fund had \$22.3 million in revenues and \$25.0 million in expenditures. The Debt Service Fund's fund balance decreased \$2.0 million due to the District meeting its debt obligations.
- The Bond Building Fund's fund balance increased \$10.4 million due to the issuance of a school improvement bond.
- Net position for the Internal Service Funds decreased \$3.2 million from the prior fiscal year primarily due to the District spending down fund balance in the Employee Benefit Trust Fund. Operating expenses of \$18.9 million exceeded operating revenues of \$15.6 at the end of the current fiscal year.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2019**

**OVERVIEW OF FINANCIAL STATEMENTS**

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

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

The statement of net 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 three categories: governmental funds, proprietary funds, and fiduciary funds.

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

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2019**

**OVERVIEW OF FINANCIAL STATEMENTS**

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

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

**Proprietary funds.** The District maintains one type of proprietary fund. The internal service funds are accounting devices used to accumulate and allocate costs internally among the District's various functions. The internal service funds include (1) the District Services Fund which accounts for the operation of District functions that provide goods or services to other District departments and surrounding Districts on a cost reimbursement basis, (2) the Intergovernmental Agreements Fund which accounts for financial activities related to agreements with other governments where the District is the fiscal agent, (3) the Employee Benefit Trust Fund which provides employee health insurance and (4) the Workers Compensation Fund which accounts for financial activities associated with the insurance program for employee workers' compensation. Because these activities predominately benefit governmental functions, they have been included within governmental activities in the government-wide financial statements.

The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**OVERVIEW OF FINANCIAL STATEMENTS**

**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, the 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 as required supplementary information. Schedules for the pension and other postemployment benefit plans 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 and deferred outflows exceeded liabilities and deferred inflows by \$36.2 million at the current fiscal year end.

The largest portion of the District's positive net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment and construction in progress), less any related outstanding debt used to acquire those assets. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. In addition, a portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance is unrestricted and may be used to meet the District's ongoing obligations to its citizens and creditors.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2019 and June 30, 2018.

	As of June 30, 2019	As of June 30, 2018
Current and other assets	\$ 148,086,869	\$ 144,696,925
Capital assets, net	264,179,107	261,352,903
Total assets	<u>412,265,976</u>	<u>406,049,828</u>
Deferred outflows	<u>24,593,917</u>	<u>24,296,074</u>
Current liabilities	12,614,583	20,446,254
Long-term liabilities	<u>370,974,760</u>	<u>361,582,886</u>
Total liabilities	<u>383,589,343</u>	<u>382,029,140</u>
Deferred inflows	<u>15,034,348</u>	<u>10,934,680</u>
Net position:		
Net investment in capital assets	89,872,546	98,482,098
Restricted	55,106,379	56,405,890
Unrestricted	<u>(106,742,723)</u>	<u>(117,505,906)</u>
Total net position	<u>\$ 38,236,202</u>	<u>\$ 37,382,082</u>

At the end of the current fiscal year, the District reported positive balances in two categories of net position. Unrestricted net position, which is normally used to meet the District's mission, reported a deficit of \$106.7 million. The deficit arose due to the District's proportionate share of the state pension and other postemployment benefit unfunded liabilities. The same situation held true for the prior fiscal year.

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

- The addition of \$18.0 million in capital assets through school improvements and the purchase of vehicles, furniture and equipment.
- The addition of \$14.3 million in accumulated depreciation due to the current year depreciation expense.
- The decrease of \$12.3 million in pension liabilities.
- The principal retirement of \$15.7 million of bonds.
- The issuance of \$30.0 million in school improvement bonds.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

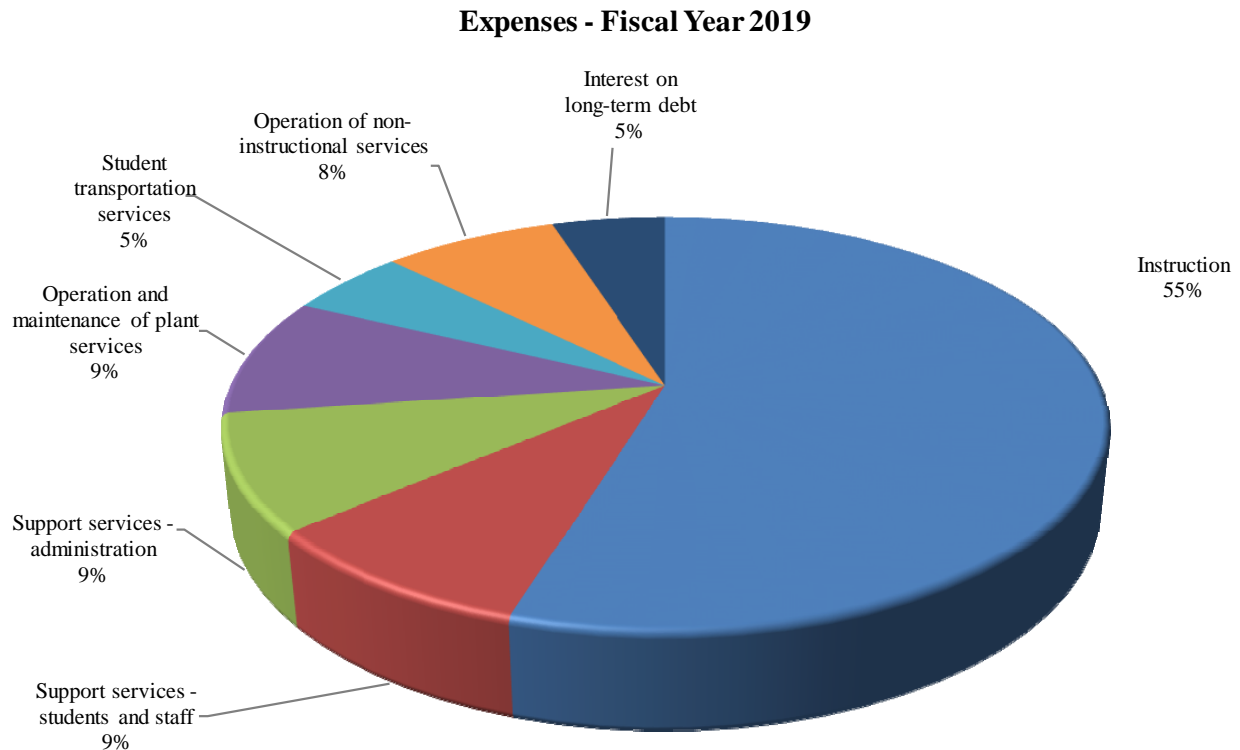
**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Changes in net position.** The District's total revenues for the current fiscal year were \$175.4 million. The total cost of all programs and services was \$173.6 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2019 and June 30, 2018.

	Fiscal Year Ended June 30, 2019	Fiscal Year Ended June 30, 2018
<b>Revenues:</b>		
Program revenues:		
Charges for services	\$ 16,340,087	\$ 14,741,943
Operating grants and contributions	13,580,735	11,187,969
Capital grants and contributions	119,173	
General revenues:		
Property taxes	75,806,355	72,093,153
Investment income	2,783,584	862,894
Unrestricted county aid	4,683,039	4,406,194
Unrestricted state aid	61,287,147	53,793,847
Unrestricted federal aid	801,814	719,884
<b>Total revenues</b>	<u>175,401,934</u>	<u>157,805,884</u>
<b>Expenses:</b>		
Instruction	95,095,674	88,041,606
Support services - students and staff	15,624,233	13,753,213
Support services - administration	15,699,409	14,031,266
Operation and maintenance of plant services	16,172,484	15,057,684
Student transportation services	9,148,432	8,139,676
Operation of non-instructional services	13,235,212	11,305,128
Interest on long-term debt	8,637,522	8,527,959
<b>Total expenses</b>	<u>173,612,966</u>	<u>158,856,532</u>
<b>Changes in net position</b>	<u>1,788,968</u>	<u>(1,050,648)</u>
<b>Net position, beginning, as restated</b>	<u>36,447,234</u>	<u>38,432,730</u>
<b>Net position, ending</b>	<u><u>\$ 38,236,202</u></u>	<u><u>\$ 37,382,082</u></u>

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**



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

- The \$3.7 million increase in property taxes is due to an increase the secondary property tax rate and an increased in assessed valuation of taxable property within the District.
- The \$7.5 million increase in unrestricted state aid is due to an increase in the funding formula adopted by the state legislature.
- The overall increase of \$14.8 million in expenses is primarily due to increased payroll expenditures related to an increase in staff salaries and increased bond principal payments.



**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

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.

	Year Ended June 30, 2019		Year Ended June 30, 2018	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 95,095,674	\$ (88,739,713)	\$ 88,041,606	\$ (80,888,271)
Support services - students and staff	15,624,233	(14,749,028)	13,753,213	(9,680,375)
Support services - administration	15,699,409	(12,826,657)	14,031,266	(12,440,657)
Operation and maintenance of plant services	16,172,484	(14,085,575)	15,057,684	(14,410,039)
Student transportation services	9,148,432	(8,555,307)	8,139,676	(7,406,172)
Operation of non-instructional services	13,235,212	3,389,504	11,305,128	(258,347)
Interest on long-term debt	8,637,522	(8,006,195)	8,527,959	(7,842,759)
Total	<u>\$ 173,612,966</u>	<u>\$(143,572,971)</u>	<u>\$ 158,856,532</u>	<u>\$(132,926,620)</u>

- The cost of all governmental activities this year was \$173.6 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$30.0 million.
- Net cost of governmental activities of \$143.6 million was financed by general revenues, which are made up of primarily property taxes of \$75.8 million and state and county aid of \$66.0 million. Investment earnings accounted for \$2.8 million of funding.

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

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

**Governmental funds.** The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

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

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 \$113.6 million, an increase of \$9.1 million due primarily to the issuance of school improvement bonds.

The General Fund comprises 19 percent of the total fund balance. Approximately \$19.1 million, or 88 percent of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District.

The fund balance increased \$1.2 million in the General Fund to \$21.8 million as of fiscal year end.

General Fund revenues increased \$9.1 million as a result of an increase in state aid due to an increase in the funding formula adopted by the state legislature. General Fund expenditures increased \$10.4 million primarily as a result of an increase in instructional expenditures due to recent legislation to increase teacher pay and increased salary allocations for employee compensation.

The Debt Service Fund had \$22.3 million in current fiscal year revenues and \$25.0 million in expenditures. The Debt Service Fund's fund balance decreased from \$34.0 million as of prior fiscal year end to \$32.0 million as of the current fiscal year end primarily due the District meeting its debt obligations.

The fund balance in the Bond Building Fund increased \$10.4 million to \$38.6 million as of year end primarily due to the issuance of a school improvement bonds.

**Proprietary funds.** Unrestricted net position of the Internal Service Funds decreased \$3.2 million to \$2.6 million as of fiscal year end primarily as a result of efforts by the District to utilize fund balance to stabilize the costs of healthcare premiums for employees. Operating expenses of \$18.9 million exceeded operating revenues of \$15.6 million.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**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 \$1.4 million increase, or one percent.

Significant variances for the final amended budget and actual revenues resulted from the District not being required by the State of Arizona to prepare a revenue budget. A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund is provided in this report as required supplementary information. The favorable variance of \$11.1 million in instruction was a result of incorporating the budget carryforward balance in order to maximize budget capacity and provide capacity for possible contingencies in future years.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** At year end, the District had invested \$487.2 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 \$17.3 million from the prior fiscal year, primarily due school improvements. Total depreciation expense for the current fiscal year was \$14.3 million.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2019 and June 30, 2018.

	As of June 30, 2019	As of June 30, 2018
Capital assets - non-depreciable	\$ 41,399,934	\$ 37,921,166
Capital assets - depreciable, net	222,779,173	223,431,737
Total	<u>\$ 264,179,107</u>	<u>\$ 261,352,903</u>

The estimated cost to complete current construction projects is \$1.4 million.

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

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Debt Administration.** At year end, the District had \$248.4 million in long-term debt outstanding, \$15.7 million due within one year. Long-term debt increased by \$20.9 million due to the issuance of new 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 total net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$375.2 million and the current Class B debt limit for the District is \$250.1 million which are more than the District's total outstanding general obligation and Class B debt, respectively.

Additional information on the District's long-term debt can be found in Notes 9 and 10.

**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 2019-20 budget. Among them:

- Fiscal year 2018-19 budget balance carryforward (estimated \$13.9 million).
- District student average daily membership (estimated 15,822).

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 three percent to \$121.7 million in fiscal year 2019-20. State aid and property taxes are expected to be the primary funding sources. No new programs were added in the fiscal year 2019-20.

**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; Kyrene Elementary School District No. 28; 8700 South Kyrene Road; Tempe, Arizona 85284-2197.

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## **BASIC FINANCIAL STATEMENTS**

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## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**



**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2019**

	Governmental Activities
<b><u>ASSETS</u></b>	
Current assets:	
Cash and investments	\$ 95,793,943
Restricted cash and investments	29,127,024
Property taxes receivable	3,533,271
Accounts receivable	304,623
Due from governmental entities	17,579,515
Prepaid items	1,143,605
Inventory	306,542
Total current assets	<u>147,788,523</u>
Noncurrent assets:	
Net other postemployment benefit assets	298,346
Capital assets not being depreciated	41,399,934
Capital assets, net of accumulated depreciation	222,779,173
Total noncurrent assets	<u>264,477,453</u>
<b>Total assets</b>	<u><b>412,265,976</b></u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>	
Deferred charge on refunding	5,500,585
Pension and other postemployment benefit plan items	19,093,332
<b>Total deferred outflows of resources</b>	<u><b>24,593,917</b></u>
<b><u>LIABILITIES</u></b>	
Current liabilities:	
Accounts payable	3,316,230
Construction contracts payable	1,801,215
Claims payable	2,117,000
Accrued payroll and employee benefits	636,540
Compensated absences payable	2,000,000
Accrued interest payable	4,723,917
Unearned revenues	19,681
Bonds payable	15,715,000
Total current liabilities	<u>30,329,583</u>
Noncurrent liabilities:	
Non-current portion of long-term obligations	353,259,760
Total noncurrent liabilities	<u>353,259,760</u>
<b>Total liabilities</b>	<u><b>383,589,343</b></u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>	
Pension and other postemployment benefit plan items	15,034,348
<b><u>NET POSITION</u></b>	
Net investment in capital assets	89,872,546
Restricted	55,106,379
Unrestricted	(106,742,723)
<b>Total net position</b>	<u><u><b>\$ 38,236,202</b></u></u>

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

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2019**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental activities:</b>					
Instruction	\$ 95,095,674	\$ 2,509,115	\$ 3,727,673	\$ 119,173	\$ (88,739,713)
Support services - students and staff	15,624,233	75,875	799,330		(14,749,028)
Support services - administration	15,699,409	1,967,657	905,095		(12,826,657)
Operation and maintenance of plant services	16,172,484	673,747	1,413,162		(14,085,575)
Student transportation services	9,148,432	239,811	353,314		(8,555,307)
Operation of non-instructional services	13,235,212	10,873,882	5,750,834		3,389,504
Interest on long-term debt	8,637,522		631,327		(8,006,195)
<b>Total governmental activities</b>	<u>\$ 173,612,966</u>	<u>\$ 16,340,087</u>	<u>\$ 13,580,735</u>	<u>\$ 119,173</u>	<u>(143,572,971)</u>
<b>General revenues:</b>					
Taxes:					
Property taxes, levied for general purposes					48,402,729
Property taxes, levied for debt service					20,530,328
Property taxes, levied for capital outlay					6,873,298
Investment income					2,783,584
Unrestricted county aid					4,683,039
Unrestricted state aid					61,287,147
Unrestricted federal aid					801,814
<b>Total general revenues</b>					<u>145,361,939</u>
<b>Changes in net position</b>					1,788,968
<b>Net position, beginning of year</b>					<u>36,447,234</u>
<b>Net position, end of year</b>					<u>\$ 38,236,202</u>

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

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## **FUND FINANCIAL STATEMENTS**

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2019**

	<u>General</u>	<u>Debt Service</u>	<u>Bond Building</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 6,313,210	\$ 23,196,158	\$ 40,362,038
Restricted cash and investments		29,127,024	
Property taxes receivable	3,212,624	240,211	
Accounts receivable			
Due from governmental entities	15,109,904		
Due from other funds	623,841		
Prepaid items	1,143,605		
Inventory	306,542		
<b>Total assets</b>	<u><u>\$ 26,709,726</u></u>	<u><u>\$ 52,563,393</u></u>	<u><u>\$ 40,362,038</u></u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES</u></b>			
<b><u>AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 1,517,569	\$	\$
Construction contracts payable			1,801,215
Due to other funds			
Accrued payroll and employee benefits	418,575		
Unearned revenues			
Bonds payable		15,715,000	
Bond interest payable		4,723,917	
<b>Total liabilities</b>	<u><u>1,936,144</u></u>	<u><u>20,438,917</u></u>	<u><u>1,801,215</u></u>
Deferred inflows of resources:			
Unavailable revenues - property taxes	2,979,401	141,912	
Unavailable revenues - intergovernmental			
<b>Total deferred inflows of resources</b>	<u><u>2,979,401</u></u>	<u><u>141,912</u></u>	
Fund balances (deficits):			
Nonspendable	1,450,147		
Restricted	1,244,506	31,982,564	38,560,823
Unassigned	19,099,528		
<b>Total fund balances</b>	<u><u>21,794,181</u></u>	<u><u>31,982,564</u></u>	<u><u>38,560,823</u></u>
<b>Total liabilities, deferred inflows of resources</b>			
<b>and fund balances</b>	<u><u>\$ 26,709,726</u></u>	<u><u>\$ 52,563,393</u></u>	<u><u>\$ 40,362,038</u></u>

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 21,017,867	\$ 90,889,273
	29,127,024
80,436	3,533,271
128,013	128,013
2,315,055	17,424,959
	623,841
	1,143,605
	306,542
<u>\$ 23,541,371</u>	<u>\$ 143,176,528</u>

\$ 959,412	\$ 2,476,981
	1,801,215
623,841	623,841
201,040	619,615
19,681	19,681
	15,715,000
	4,723,917
<u>1,803,974</u>	<u>25,980,250</u>

47,973	3,169,286
410,376	410,376
<u>458,349</u>	<u>3,579,662</u>

	1,450,147
21,689,424	93,477,317
(410,376)	18,689,152
<u>21,279,048</u>	<u>113,616,616</u>

<u>\$ 23,541,371</u>	<u>\$ 143,176,528</u>
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**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2019**

**Total governmental fund balances**

Amounts reported for *governmental activities* in the Statement of  
Net Position are different because: **\$ 113,616,616**

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

Governmental capital assets	\$ 487,299,863	
Less accumulated depreciation	<u>(223,120,756)</u>	264,179,107

Some receivables are not available to pay for current period  
expenditures and, therefore, are reported as unavailable  
revenues in the funds.

Property taxes	3,169,286	
Intergovernmental	<u>410,376</u>	3,579,662

Deferred items related to the net cost of issuance of bonds  
are amortized over the life of the associated bond issue  
in the government-wide statements but not reported in the funds. 5,500,585

Deferred outflows and inflows of resources related to  
pensions/OPEB are applicable to future periods and,  
therefore, are not reported in the funds.

Deferred outflows of resources related to pensions/OPEB	19,093,332	
Deferred inflows of resources related to pensions/OPEB	<u>(15,034,348)</u>	4,058,984

The Net OPEB asset is not a current financial resource and,  
therefore, is not reported in the funds. 298,346

The Internal Service Funds are used by management to charge  
the cost of insurance and goods and services to the individual  
funds. The assets and liabilities of the Internal Service Funds are  
included in the Statement of Net Position. 2,262,662

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

Compensated absences payable	(6,506,289)	
Net OPEB liability	(433,559)	
Net pension liability	(115,596,800)	
Bonds payable	<u>(232,723,112)</u>	<u>(355,259,760)</u>

<b>Net position of governmental activities</b>	<b><u>\$ 38,236,202</u></b>
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**The notes to the basic financial statements are an integral part of this statement.**



**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	<u>General</u>	<u>Debt Service</u>	<u>Bond Building</u>
<b>Revenues:</b>			
Other local	\$ 4,834,892	\$ 1,176,212	\$ 686,170
Property taxes	48,753,374	20,486,321	
State aid and grants	52,759,114		
Federal aid, grants and reimbursements	801,814	631,327	
<b>Total revenues</b>	<u>107,149,194</u>	<u>22,293,860</u>	<u>686,170</u>
<b>Expenditures:</b>			
Current -			
Instruction	65,064,279		
Support services - students and staff	13,181,536		
Support services - administration	10,605,650		
Operation and maintenance of plant services	14,357,052		
Student transportation services	4,620,104		
Operation of non-instructional services	144,195		
Capital outlay	12,339		22,566,078
Debt service -			
Principal retirement		15,715,000	
Interest and fiscal charges		9,255,572	
Bond issuance costs			357,734
<b>Total expenditures</b>	<u>107,985,155</u>	<u>24,970,572</u>	<u>22,923,812</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(835,961)</u>	<u>(2,676,712)</u>	<u>(22,237,642)</u>
<b>Other financing sources (uses):</b>			
Transfer in	818,746	686,164	
Transfer out			(686,164)
Issuance of school improvement bonds			29,965,000
Premium on sale of bonds			3,354,609
Proceeds from sale of capital assets	29,089		
Insurance recoveries	86,812		
<b>Total other financing sources (uses)</b>	<u>934,647</u>	<u>686,164</u>	<u>32,633,445</u>
<b>Changes in fund balances</b>	<u>98,686</u>	<u>(1,990,548)</u>	<u>10,395,803</u>
<b>Fund balances, beginning of year</b>	20,545,941	33,973,112	28,165,020
Increase (decrease) in reserve for prepaid items	1,143,605		
Increase (decrease) in reserve for inventory	5,949		
<b>Fund balances, end of year</b>	<u>\$ 21,794,181</u>	<u>\$ 31,982,564</u>	<u>\$ 38,560,823</u>

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 18,170,566	\$ 24,867,840
6,862,599	76,102,294
10,502,454	63,261,568
9,924,047	11,357,188
<u>45,459,666</u>	<u>175,588,890</u>
16,445,466	81,509,745
2,449,353	15,630,889
2,724,791	13,330,441
1,064,813	15,421,865
996,658	5,616,762
12,798,215	12,942,410
7,584,333	30,162,750
	15,715,000
	9,255,572
	357,734
<u>44,063,629</u>	<u>199,943,168</u>
<u>1,396,037</u>	<u>(24,354,278)</u>
2,407	1,507,317
(821,153)	(1,507,317)
	29,965,000
	3,354,609
	29,089
	86,812
<u>(818,746)</u>	<u>33,435,510</u>
<u>577,291</u>	<u>9,081,232</u>
20,701,757	103,385,830
	1,143,605
	5,949
<u>\$ 21,279,048</u>	<u>\$ 113,616,616</u>

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2019**

**Changes in fund balances - total governmental funds** **\$ 9,081,232**

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	\$ 18,022,725	
Less current year depreciation	<u>(14,324,217)</u>	3,698,508

Issuance of long-term debt provides current financial resources to governmental funds, but the issuance increases long term liabilities in the Statement of Net Position.		(33,319,609)
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Some revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	(295,939)	
Intergovernmental	<u>(122,966)</u>	(418,905)

Repayments of long-term debt principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		15,715,000
--	--	------------

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

Current year pension/OPEB contributions	10,471,080	
Pension/OPEB expense	<u>(1,288,489)</u>	9,182,591

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

Prepaid items	1,143,605	
Inventory	5,949	
Deferred charges on issuance of debt	(949,518)	
Loss on disposal of assets	(302,112)	
Amortization of deferred bond items	1,567,568	
Compensated absences	<u>(329,514)</u>	1,135,978

The Internal Service Funds are used by management to charge the cost of insurance and goods and services to the individual funds. The changes in net position of the Internal Service Funds are reported with governmental activities in the Statement of Activities.		<u>(3,285,827)</u>
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**Changes in net position in governmental activities** **\$ 1,788,968**

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

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2019**

	Governmental Activities: Internal Service Funds
<b><u>ASSETS</u></b>	
Current assets:	
Cash and investments	\$ 4,904,670
Accounts receivable	176,610
Due from governmental entities	154,556
Due from other funds	70,500
Total current assets	<u>5,306,336</u>
Noncurrent assets:	
Capital assets, net of accumulated depreciation	<u>367,465</u>
Total noncurrent assets	<u>367,465</u>
<b>Total assets</b>	<u><u>5,673,801</u></u>
<b><u>LIABILITIES</u></b>	
Current liabilities:	
Accounts payable	839,249
Claims payable	2,117,000
Due to other funds	70,500
Accrued payroll and employee benefits	16,925
Total current liabilities	<u>3,043,674</u>
<b>Total liabilities</b>	<u><u>3,043,674</u></u>
<b><u>NET POSITION</u></b>	
Investment in capital assets	367,465
Unrestricted	<u>2,262,662</u>
<b>Total net position</b>	<u><u>\$ 2,630,127</u></u>

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

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION -**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	Governmental Activities: Internal Service Funds
<b>Operating revenues:</b>	
Contributions	\$ 14,091,482
Charges for services	1,467,403
<b>Total operating revenues</b>	<u>15,558,885</u>
<b>Operating expenses:</b>	
Depreciation	120,896
Claims	14,801,326
Premiums	1,605,991
Administrative fees	1,160,338
Cost of services	1,190,945
<b>Total operating expenses</b>	<u>18,879,496</u>
<b>Operating income (loss)</b>	<u>(3,320,611)</u>
<b>Nonoperating revenues (expenses):</b>	
Investment income	116,048
<b>Total nonoperating revenues (expenses)</b>	<u>116,048</u>
<b>Changes in net position</b>	<u>(3,204,563)</u>
<b>Total net position, beginning of year</b>	5,834,690
<b>Total net position, end of year</b>	<u>\$ 2,630,127</u>

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

KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28  
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2019

	<b>Governmental Activities: Internal Service Funds</b>
<b><u>Increase/Decrease in Cash and Cash Equivalents</u></b>	
<b>Cash flows from operating activities:</b>	
Cash received from contributions	\$ 13,933,992
Cash received from other sources	1,482,160
Cash payments to suppliers for goods and services	(3,675,409)
Cash payments for claims	(14,802,326)
	<u>(3,061,583)</u>
<b>Net cash provided by/used for operating activities</b>	<u>(3,061,583)</u>
<b>Cash flows from investing activities:</b>	
Investment income	116,048
	<u>116,048</u>
<b>Net cash provided by/used for investing activities</b>	<u>116,048</u>
<b>Cash flows from noncapital financing activities:</b>	
Acquisition of capital assets	(202,160)
	<u>(202,160)</u>
<b>Net cash provided by/used for noncapital financing activities</b>	<u>(202,160)</u>
<b>Net increase/decrease in cash and cash equivalents</b>	<u>(3,147,695)</u>
<b>Cash and cash equivalents, beginning of year</b>	<u>8,052,365</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 4,904,670</u>
<b><u>Reconciliation of Operating Income/Loss to Net Cash Provided by/Used for Operating Activities</u></b>	
<b>Operating income/loss</b>	\$ (3,320,611)
Adjustments to reconcile operating income/loss to net cash provided by/used for operating activities:	
Depreciation expense	120,896
Changes in assets and liabilities:	
Increase/decrease in due from governmental entities	14,757
Increase/decrease in accounts receivable	(157,490)
Increase/decrease in due from other funds	(4,134)
Increase/decrease in accrued payroll and employee benefits	6,793
Increase/decrease in accounts payable	275,072
Increase/decrease in claims payable	(1,000)
Increase/decrease in due to other funds	4,134
	<u>259,028</u>
<b>Total adjustments</b>	<u>259,028</u>
<b>Net cash provided by/used for operating activities</b>	<u>\$ (3,061,583)</u>

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

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2019**

	<u>Agency</u>
<b><u>ASSETS</u></b>	
Cash and investments	\$ 228,167
<b>Total assets</b>	<u>\$ 228,167</u>
<b><u>LIABILITIES</u></b>	
Due to student groups	\$ 228,167
<b>Total liabilities</b>	<u>\$ 228,167</u>

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

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

The financial statements of the Kyrene Elementary School District No. 28 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

**A. Reporting Entity**

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

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

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

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



**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**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. Interfund services provided and used are not eliminated in the process of consolidation. 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. Property 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, proprietary funds and the 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 amount approximating their external exchange value.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**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, federal, 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. The Internal Service Funds are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

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.

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

Bond Building Fund – The Bond Building Fund accounts for 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.

Additionally, the District reports the following fund types:

Proprietary Funds – The Proprietary Funds are Internal Service Funds that account for activities related to (1) the operation of District functions that provide goods and services to other districts and internal departments on a cost reimbursement basis, (2) activities related to agreements with other governments where the District is the fiscal agent, (3) the District’s self-insurance program for employee benefits and (4) the District’s insurance program to pay for workers’ compensation insurance premiums.

Fiduciary Fund – The Fiduciary Fund is an Agency Fund which accounts for resources held by the District on behalf of others. The Student Activities Fund accounts for monies raised by students to finance student clubs and organizations held by the District as an agent.

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

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

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

The Agency Fund is custodial in nature and does not have a measurement focus and is reported on the accrual basis of accounting. The Agency Fund is reported by fund type.

**D. Cash and Investments**

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

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

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

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

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

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

**E. Investment Income**

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

**F. Receivables and Payables**

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

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

**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.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**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. Inventory**

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

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

**I. Prepaid Items**

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

**J. Capital Assets**

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

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

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.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

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

Land improvements	10 – 50 years
Buildings and improvements	5 – 50 years
Vehicles, furniture and equipment	5 – 25 years

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

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

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

**L. Compensated Absences**

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

**M. Pensions and Other Postemployment Benefits**

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

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

**N. Long-term Obligations**

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

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

**O. Interfund Activity**

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

**P. Net Position Flow Assumption**

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

**Q. Estimates**

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



**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**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 are 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 amounts are reported.

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

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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.

	General Fund	Debt Service Fund	Bond Building Fund	Non-Major Governmental Funds
Fund Balances:				
Nonspendable:				
Inventory	\$ 306,542	\$	\$	\$
Prepaid items	1,143,605			
Restricted:				
Debt service		31,982,564		
Capital projects	1,065,580			6,938,346
Bond building projects			38,560,823	
Voter approved initiatives				7,797,998
Federal and state projects				2,875,631
Food service				989,008
Civic center				739,551
Community school				476,864
Auxiliary operations				460,248
Extracurricular activities				929,355
Gifts and donations				391,808
Textbooks				72,414
Other purposes	178,926			18,201
Unassigned	19,099,528			(410,376)
Total fund balances	<u>\$ 21,794,181</u>	<u>\$ 31,982,564</u>	<u>\$38,560,823</u>	<u>\$ 21,279,048</u>

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 3 – RESTRICTED NET POSITION**

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

	<u>Governmental Activities</u>
Restricted Net Position:	
Debt service	\$ 32,124,476
Capital projects	7,165,245
Voter approved initiatives	7,797,998
Federal and state projects	2,875,631
Food service	989,008
Civic center	739,551
Community school	476,864
Extracurricular activities	929,355
Other purposes	2,008,251
Total	<u>\$ 55,106,379</u>

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

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

	<u>Deficit</u>
Non-Major Governmental Funds:	
Title I Grants	\$ 220,716
Professional Development and Technology Grants	54,580
Limited English and Immigrant Students	9,361
Special Education Grants	124,424
Other Federal Projects	1,295

The deficits arose because of pending grant reimbursements. Additional revenues received in fiscal year 2019-20 are expected to eliminate the deficits.

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

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
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**NOTE 5 – CASH AND INVESTMENTS**

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of bank failure the District's deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District's deposits was \$1,853,991 and the bank balance was \$2,228,309.

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

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

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

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

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer's investment pool	318 days	\$ 94,168,119

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

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

*Custodial Credit Risk – Investments.* The District's investment in the County Treasurer's investment pool represents a proportionate interest in the pool's portfolio; however, the District's portion is not identified with specific investments and is not subject to custodial credit risk. The District is invested in a treasury money market account through the trust department of U.S. Bank. The money market account has a value of \$29,127,024 at June 30, 2019.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
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**NOTE 6 – 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, non-major governmental, and internal service funds in the aggregate, were as follows:

	<u>General Fund</u>	<u>Non-Major Governmental and Other Funds</u>
Due from other governmental entities:		
Due from federal government	\$ 22,011	\$ 698,437
Due from state government	15,087,893	1,616,618
Net due from governmental entities	<u>\$ 15,109,904</u>	<u>\$ 2,315,055</u>

**NOTE 7 – CAPITAL ASSETS**

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

<u>Governmental Activities</u>	<u>Beginning Balance (as restated)</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 25,307,042	\$	\$	\$ 25,307,042
Construction in process	12,614,124	15,836,087	12,357,319	16,092,892
Total capital assets, not being depreciated	<u>37,921,166</u>	<u>15,836,087</u>	<u>12,357,319</u>	<u>41,399,934</u>
Capital assets, being depreciated:				
Land improvements	44,063,802	1,736,181		45,799,983
Buildings and improvements	360,444,839	9,360,206		369,805,045
Vehicles, furniture and equipment	27,503,681	3,447,570	656,350	30,294,901
Total capital assets being depreciated	<u>432,012,322</u>	<u>14,543,957</u>	<u>656,350</u>	<u>445,899,929</u>
Less accumulated depreciation for:				
Land improvements	(29,977,266)	(1,249,958)		(31,227,224)
Buildings and improvements	(168,438,246)	(11,204,420)		(179,642,666)
Vehicles, furniture and equipment	(10,735,265)	(1,869,839)	(354,238)	(12,250,866)
Total accumulated depreciation	<u>(209,150,777)</u>	<u>(14,324,217)</u>	<u>(354,238)</u>	<u>(223,120,756)</u>
Total capital assets, being depreciated, net	<u>222,861,545</u>	<u>219,740</u>	<u>302,112</u>	<u>222,779,173</u>
Governmental activities capital assets, net	<u>\$ 260,782,711</u>	<u>\$ 16,055,827</u>	<u>\$12,659,431</u>	<u>\$264,179,107</u>

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
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**NOTE 7 – CAPITAL ASSETS**

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 11,122,029
Support services – students and staff	51,574
Support services – administration	590,431
Operation and maintenance of plant services	1,163,353
Student transportation services	1,278,697
Operation of non-instructional services	118,133
Total depreciation expense – governmental activities	<u>\$ 14,324,217</u>

**Construction Commitments** – At year end, the District had contractual commitments related to various capital projects for the remodeling of various schools for exterior weatherization projects. At year end, the District had spent \$16.1 million on the projects and had estimated remaining contractual commitments of \$1.4 million. These projects are being funded with bond proceeds.

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

The District has a revolving line of credit to provide cash flow during the year to mitigate the impact of timing differences of expenditures and the receipt of state aid and property tax revenues. At year end, the District had \$4.5 million in unused line of credit.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
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**NOTE 9 – GENERAL OBLIGATION BONDS PAYABLE**

Bonds payable at year end, consisted of the following outstanding general obligation bonds. Of the total amount originally authorized, \$88.9 million remains unissued. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt. In addition, a portion of the District's school improvement bonds are Qualified Build America Bonds (BABS). The District receives a direct subsidy payment from the United States of America for a portion of the interest due on the bonds.

<u>Purpose</u>	<u>Original Amount Issued</u>	<u>Interest Rates</u>	<u>Remaining Maturities</u>	<u>Outstanding Principal June 30, 2019</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
General obligation bonds:					
2005 School Improvement Bonds, Series D (Class B)	\$ 25,000,000	5.38-6.00%	7/1/19-23	\$ 17,120,000	\$ 2,105,000
2005 School Improvement Bonds, Series E (Class B)	22,350,000	4.75-5.50%	7/1/19-28	16,325,000	1,370,000
2010 School Improvement Bonds, Series B (Class B)	40,000,000	4.00-5.00%	7/1/19-30	10,500,000	3,575,000
2010 School Improvement Bonds, Series C (Class B)	40,000,000	3.00-5.00%	7/1/26-34	38,650,000	
Refunding Bonds, Series 2015	24,120,000	2.00-5.00%	7/1/19-27	23,145,000	1,275,000
2010 School Improvement Bonds, Series D (Class B)	32,025,000	2.00-4.00%	7/1/19-36	26,475,000	1,250,000
Refunding Bonds, Series 2016A (Class B)	17,450,000	3.00-5.00%	7/1/21-27	17,260,000	
Refunding Bonds, Series 2016B (Class B)	7,360,000	2.50-5.00%	7/1/24-28	7,360,000	
Refunding Bonds, Series 2017A (2019 Crossover)	6,885,000	2.00-5.00%	7/1/20-23	6,885,000	
Refunding Bonds, Series 2017B (2020 Crossover)	12,395,000	2.00-5.00%	7/1/21-28	12,395,000	
Refunding Bonds, Series 2017C	25,085,000	4.00-5.00%	7/1/24-30	25,085,000	
2017 School Improvement Bonds, Series A (Class B)	29,965,000	2.00-5.00%	7/1/19-38	29,965,000	6,140,000
Total				<u>\$ 231,165,000</u>	<u>\$ 15,715,000</u>

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
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**NOTE 9 – GENERAL OBLIGATION BONDS PAYABLE**

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

Year ending June 30:	Governmental Activities	
	Principal	Interest
2020	\$ 15,715,000	\$ 8,732,628
2021	14,910,000	8,995,750
2022	16,280,000	8,572,982
2023	15,120,000	7,918,328
2024	13,610,000	7,298,210
2025-29	74,060,000	26,106,383
2030-34	60,365,000	10,849,938
2035-39	21,105,000	1,843,675
Total	<u>\$ 231,165,000</u>	<u>\$ 80,317,894</u>

During the year ended June 30, 2018, the District issued \$19,280,000 in crossover refunding bonds. As a result, the refunded general obligation bonds are considered to be defeased at the crossover dates of July 1, 2019 and July 1, 2020. At that time the liability for those bonds will be removed from the government-wide financial statements. Payments on refunded debt will continue to be paid by the Debt Service Fund until the crossover refunding dates.

Changes in investment value for crossover refunding escrow account monies held in money market accounts with U.S. Bank resulted in investment income of \$316,767 at year end.

In prior years, the District defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At year end, \$25,525,000 of defeased bonds are still outstanding.

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

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$ 212,070,000	\$ 29,965,000	\$ 10,870,000	\$ 231,165,000	\$ 15,715,000
Premium	15,486,071	3,354,609	1,567,568	17,273,112	
Total bonds payable	<u>227,556,071</u>	<u>33,319,609</u>	<u>12,437,568</u>	<u>248,438,112</u>	<u>15,715,000</u>
Net OPEB liability	297,090	136,469		433,559	
Net pension liability	127,917,606		12,320,806	115,596,800	
Compensated absences payable, as restated	<u>6,176,775</u>	<u>3,709,406</u>	<u>3,379,892</u>	<u>6,506,289</u>	<u>2,000,000</u>
Governmental activity long- term liabilities	<u>\$ 361,947,542</u>	<u>\$ 37,165,484</u>	<u>\$ 28,138,266</u>	<u>\$ 370,974,760</u>	<u>\$ 17,715,000</u>



**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
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**NOTE 11 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

At year end, interfund balances were as follows:

**Due to/from other funds** – At year end, several non-major governmental funds had negative cash balances in the Treasurer’s pooled cash accounts of \$623,841. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with the General Fund. All interfund balances are expected to be paid within one year. In addition, the Intergovernmental Agreements Fund had a negative cash balance of \$70,500 at year end that was reduced by interfund borrowing with the District Services Fund. Both funds were non-major internal services funds.

**Interfund transfers:**

	Transfers in			Total
	General Fund	Debt Service Fund	Non-Major Aggregate Funds	
Transfers out				
Bond Building Fund	\$	\$ 686,164	\$	\$ 686,164
Non-Major Governmental Funds	818,746		2,407	821,153
Total	<u>\$ 818,746</u>	<u>\$ 686,164</u>	<u>\$ 2,407</u>	<u>\$ 1,507,317</u>

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

**NOTE 12 – CONTINGENT LIABILITIES**

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

**Lawsuits** – The District is a party to a number of various types of lawsuits, many of which normally occur in governmental operations. The ultimate outcome of the actions is not determinable, however, District management believes that the outcome of these proceedings, either individually or in the aggregate, will not have a materially adverse effect on the accompanying financial statements.

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

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
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**NOTE 13 – PRIOR PERIOD ADJUSTMENTS**

The July 1, 2018 government-wide net position does not agree to the prior year financial statements due to a correction of an error. The District did not properly record depreciation for several capital assets. Additionally, the District improperly reported the compensated absences liability in the prior fiscal year. All changes were accounted for in the table below:

	<u>Statement of Activities</u>
Net position/fund balance, June 30, 2018, as previously reported	\$ 37,382,082
Correction of compensated absence liability	(364,656)
Correction to accumulated deprecation	(570,192)
Net position/fund balance, July 1, 2018, as restated	<u>\$ 36,447,234</u>

**NOTE 14 – RISK MANAGEMENT**

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

The District 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.

The District established the Employee Benefit Trust Fund, an Internal Service Fund, to account for and finance the uninsured risks of loss related to employee health. Under this program, the Fund provides coverage for up to a maximum of \$250,000 for each claim. The Fund purchases commercial insurance for claims in excess of this coverage. Settled claims have not exceeded this coverage in any of the past three fiscal years.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 14 – RISK MANAGEMENT**

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. In addition, the District has a total recommended reserve of \$7.0 million. The fund balance for the Employee Benefit Trust Fund was \$1,612,839 at year end.

Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate. Changes in the balances of claims liabilities during the past two years are as follows:

	Year ended June 30, 2019	Year ended June 30, 2018
Claims payable, beginning of fiscal year	\$ 2,118,000	\$ 1,637,000
Current year claims and adjustments	14,801,326	13,825,310
Claim payments	<u>(14,802,326)</u>	<u>(13,344,310)</u>
Claims payable, end of fiscal year	<u>\$ 2,117,000</u>	<u>\$ 2,118,000</u>

**NOTE 15 – 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](http://www.azasrs.gov).

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**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

**Aggregate Amounts.** At June 30, 2019, the District reported the following aggregate amounts related to pensions and OPEB for all plans to which it contributes:

	Pension	OPEB
Net assets	\$	\$ (298,346)
Net liability	115,596,800	433,559
Deferred outflows of resources	17,859,337	1,233,995
Deferred inflows of resources	14,120,474	913,874
Expense	829,333	459,156
Contributions	9,920,905	550,175

**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.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

Retired and disabled members, with at least five years of credited service, are eligible to receive health insurance premium benefits. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with 10 or more years of service, benefits range from \$100 per month to \$260 per month depending on the age of the member and dependents. For members with five to nine years of service, the benefits are the same dollar amounts as above multiplied by a vesting fraction based on completed years of service.

Active members are eligible for a long-term disability benefit in the event they become unable to perform their work. The monthly benefit is equal to two-thirds of their monthly earnings. Members receiving benefits continue to earn service credit up to their normal retirement dates. Members with long-term disability commencement dates after June 30, 1999 are limited to 30 years of service or the service on record as of the effective disability date, if their service is greater than 30 years.

**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 11.80 percent (11.64 percent for retirement and 0.16 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 11.80 percent (11.18 percent for retirement, 0.46 percent for health insurance premium benefit, and 0.16 percent for long-term disability) of the active members' annual covered payroll. The District's contributions for the year ended June 30, 2019 were as follows:

	<u>Contributions</u>
Pension	\$ 9,920,905
Health Insurance Premium	408,194
Long-Term Disability	141,981

Employers are also required to pay an Alternate Contribution Rate (ACR), for retired members who return to work in positions that would typically be filled by an employee who contributes to ASRS. The District was required by statute to contribute at the actuarially determined rate of 10.53 percent (10.41 for retirement, 0.06 percent for health insurance premium benefit, and 0.13 percent for long-term disability). ACR contributions are included in employer contributions presented above.

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

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

**Pension and OPEB Assets/Liability.** The net pension and OPEB assets/liability were measured as of June 30, 2018. The total liability used to calculate the net asset or net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2017, to the measurement date of June 30, 2018. The total liability as of June 30, 2018 reflects changes in actuarial assumptions based on the results of an actuarial experience study for the five-year period ended June 30, 2016, including decreasing the discount rate from 8.0 percent to 7.5 percent, changing the projected salary increases from 3-6.75 percent to 2.7-7.2 percent, decreasing the inflation rate from 3 percent to 2.3 percent, and changing the mortality rates. The District's proportion of the net assets/liability was based on the District's actual contributions to the applicable plan relative to the total of all participating employers' contributions to the plan for the year ended June 30, 2018.

At June 30, 2019, the District reported the following amounts for its proportionate share of the ASRS plans net assets/liability. In addition, at June 30, 2018, the District's percentage proportion for each plan and the related change from its proportion measured as of June 30, 2017 was:

	Net (Assets) Liability	District % Proportion	Increase (Decrease)
Pension	\$ 115,596,800	0.829	0.008
Health Insurance Premium	(298,346)	0.829	0.006
Long-Term Disability	433,559	0.830	0.010

**Pension/OPEB Expense and Deferred Outflows/Inflows of Resources.** The District has deferred outflows and inflows of resources related to the net pension and OPEB assets/liabilities. Certain changes in the net pension and OPEB assets/liability are recognized as pension and OPEB expense over a period of time rather than the year of occurrence. For the year ended June 30, 2019, the District recognized pension and OPEB expense as follows:

	Expense
Pension	\$ 829,333
Health Insurance Premium	302,287
Long-Term Disability	156,869

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

Deferred Outflows of Resources			
	Pension	Health Insurance Premium	Long-Term Disability
Differences between expected and actual experience	\$ 3,184,598	\$	\$ 11,088
Changes of assumptions or other inputs	3,058,903	575,362	93,907
Changes in proportion and differences between contributions and proportionate share of contributions	1,694,931		3,463
Contributions subsequent to the measurement date	9,920,905	408,194	141,981
Total	<u>\$ 17,859,337</u>	<u>\$ 983,556</u>	<u>\$ 250,439</u>

Deferred Inflows of Resources			
	Pension	Health Insurance Premium	Long-Term Disability
Differences between expected and actual experience	\$ 637,266	\$ 275,361	\$
Changes of assumptions or other inputs	10,249,244		
Net difference between projected and actual earnings on pension investments	2,779,829	595,991	41,994
Changes in proportion and differences between contributions and proportionate share of contributions	454,135	489	39
Total	<u>\$ 14,120,474</u>	<u>\$ 871,841</u>	<u>\$ 42,033</u>

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
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**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

The amounts of deferred outflows of resources resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as an adjustment of the net pension and OPEB assets/liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be recognized in pension and OPEB expense as follows:

	Pension	Health Insurance Premium	Long-Term Disability
2020	\$ 1,607,166	\$ (115,646)	\$ 1,748
2021	(2,325,766)	(115,646)	1,748
2022	(4,216,796)	(115,646)	1,748
2023	(1,246,646)	11,333	12,996
2024		39,126	15,059
Thereafter			33,126

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

	Pension	OPEB
Actuarial valuation date	June 30, 2017	June 30, 2017
Actuarial roll forward date	June 30, 2018	June 30, 2018
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return	7.5%	7.5%
Projected salary increases	2.7-7.2%	Not applicable
Inflation	2.3%	2.3%
Permanent base increases	Included	Not applicable
Mortality rates	2017 SRA Scale U-MP	Health Ins: 2017 SRA Scale U-MP, LTD: 2012 GLDT
Healthcare cost trend rate	Not applicable	Not applicable

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



**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	50%	5.50%
Fixed income	30	3.83
Real estate	20	5.85
Total	<u>100%</u>	

**Discount Rate.** The discount rate used to measure the ASRS total pension and OPEB liability was 7.5 percent, which was a decrease of 0.5 from the discount rate used as of June 30, 2017. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board's funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension and OPEB liability.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

**Sensitivity of the Proportionate Share of the Net Pension and OPEB Asset/Liability to Changes in the Discount Rate.** The following presents the District's proportionate share of the net pension and OPEB assets/liability calculated using the discount rate of 7.5 percent, as well as what the proportionate share of the net pension and OPEB asset/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:

	Proportionate share of the net (assets) liability		
	1% Decrease	Current Discount Rate	1% Increase
Rate	6.5%	7.5%	8.5%
Pension	\$ 164,785,898	\$ 115,596,800	\$ 74,500,104
Health Insurance Premium	1,057,109	(298,346)	(1,452,923)
Long-Term Disability	491,342	433,559	377,492

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

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## **REQUIRED SUPPLEMENTARY INFORMATION**

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL**  
**YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Other local	\$	\$	\$ 4,735,325	\$ 4,735,325
Property taxes			48,753,374	48,753,374
State aid and grants			52,759,114	52,759,114
<b>Total revenues</b>			<u>106,247,813</u>	<u>106,247,813</u>
<b>Expenditures:</b>				
Current -				
Instruction	77,778,719	76,160,217	65,010,350	11,149,867
Support services - students and staff	11,400,734	12,494,633	12,724,645	(230,012)
Support services - administration	9,520,019	10,231,844	9,869,186	362,658
Operation and maintenance of plant services	12,862,214	13,569,432	12,826,143	743,289
Student transportation services	4,839,472	5,325,923	4,598,435	727,488
Operation of non-instructional services	134,770	164,098	143,467	20,631
<b>Total expenditures</b>	<u>116,535,928</u>	<u>117,946,147</u>	<u>105,172,226</u>	<u>12,773,921</u>
<b>Changes in fund balances</b>	<u>(116,535,928)</u>	<u>(117,946,147)</u>	<u>1,075,587</u>	<u>119,021,734</u>
<b>Fund balances, beginning of year</b>			14,465,251	14,465,251
Increase (decrease) in reserve for prepaid items			1,143,605	1,143,605
Increase (decrease) in reserve for inventory			5,949	5,949
<b>Fund balances (deficits), end of year</b>	<u>\$ (116,535,928)</u>	<u>\$ (117,946,147)</u>	<u>\$ 16,690,392</u>	<u>\$ 134,636,539</u>

See accompanying notes to this schedule.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**ARIZONA STATE RETIREMENT SYSTEM**  
**LAST FIVE FISCAL YEARS**

	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>
Measurement date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension (assets) liability	0.83%	0.82%	0.81%	0.85%	0.82%
District's proportionate share of the net pension (assets) liability	\$ 115,596,800	\$ 127,917,606	\$ 130,157,833	\$ 132,478,207	\$ 121,650,116
District's covered payroll	\$ 82,069,404	\$ 79,874,722	\$ 75,593,152	\$ 78,285,620	\$ 79,933,336
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	140.85%	160.15%	172.18%	169.22%	152.19%
Plan fiduciary net position as a percentage of the total pension liability	73.40%	69.92%	67.06%	68.35%	69.49%

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

	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>
Actuarially determined contribution	\$ 9,920,905	\$ 8,945,565	\$ 8,610,495	\$ 8,201,857	\$ 8,525,304
Contributions in relation to the actuarially determined contribution	<u>9,920,905</u>	<u>8,945,565</u>	<u>8,610,495</u>	<u>8,201,857</u>	<u>8,525,304</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 88,737,970	\$ 82,069,404	\$ 79,874,722	\$ 75,593,152	\$ 78,285,620
Contributions as a percentage of covered payroll	11.18%	10.90%	10.78%	10.85%	10.89%

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

See accompanying notes to this schedule.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**ARIZONA STATE RETIREMENT SYSTEM - HEALTH INSURANCE PREMIUM**  
**LAST TWO FISCAL YEARS**

	<u><b>2019</b></u>	<u><b>2018</b></u>
Measurement date	June 30, 2018	June 30, 2017
District's proportion of the net OPEB (assets) liability	0.83%	0.82%
District's proportionate share of the net OPEB (assets) liability	\$ (298,346)	\$ (447,785)
District's covered payroll	\$ 82,069,404	\$ 79,874,722
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	(0.36)%	(0.56)%
Plan fiduciary net position as a percentage of the total OPEB liability	102.20%	103.57%

**SCHEDULE OF OPEB CONTRIBUTIONS**  
**ARIZONA STATE RETIREMENT SYSTEM - HEALTH INSURANCE PREMIUM**  
**LAST TWO FISCAL YEARS**

	<u><b>2019</b></u>	<u><b>2018</b></u>
Actuarially determined contribution	\$ 408,195	\$ 361,105
Contributions in relation to the actuarially determined contribution	<u>408,195</u>	<u>361,105</u>
Contribution deficiency (excess)	<u><u>\$</u></u>	<u><u>\$</u></u>
District's covered payroll	\$ 88,737,970	\$ 82,069,404
Contributions as a percentage of covered payroll	0.46%	0.44%

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

See accompanying notes to this schedule.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**ARIZONA STATE RETIREMENT SYSTEM - LONG-TERM DISABILITY**  
**LAST TWO FISCAL YEARS**

	<u><b>2019</b></u>	<u><b>2018</b></u>
Measurement date	June 30, 2018	June 30, 2017
District's proportion of the net OPEB (assets) liability	0.83%	0.82%
District's proportionate share of the net OPEB (assets) liability	\$ 433,559	\$ 297,090
District's covered payroll	\$ 82,069,404	\$ 79,874,722
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	0.53%	0.37%
Plan fiduciary net position as a percentage of the total OPEB liability	77.83%	84.44%

**SCHEDULE OF OPEB CONTRIBUTIONS**  
**ARIZONA STATE RETIREMENT SYSTEM - LONG-TERM DISABILITY**  
**LAST TWO FISCAL YEARS**

	<u><b>2019</b></u>	<u><b>2018</b></u>
Actuarially determined contribution	\$ 141,981	\$ 131,311
Contributions in relation to the actuarially determined contribution	<u>141,981</u>	<u>131,311</u>
Contribution deficiency (excess)	<u><u>\$</u></u>	<u><u>\$</u></u>
District's covered payroll	\$ 88,737,970	\$ 82,069,404
Contributions as a percentage of covered payroll	0.16%	0.16%

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

See accompanying notes to this schedule.



**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2019**

**NOTE 1 – BUDGETARY BASIS OF ACCOUNTING**

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

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

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

	<u>Total Expenditures</u>	<u>Fund Balances End of Year</u>
Statement of Revenues, Expenditures and Changes in		
Fund Balances – Governmental Funds	\$ 107,985,155	\$ 21,794,181
Activity budgeted as special revenue funds	(1,639,199)	(4,924,863)
Activity budgeted as capital projects funds	(88,759)	(178,926)
Prior-year prepaid items	<u>(1,084,971)</u>	<u>                    </u>
Schedule of Revenues, Expenditures and Changes in Fund		
Balances – Budget and Actual – General Fund	<u>\$ 105,172,226</u>	<u>\$ 16,690,392</u>

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

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

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

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

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## **GOVERNMENTAL FUNDS**

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**JUNE 30, 2019**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 13,489,346	\$ 7,528,521	\$ 21,017,867
Property taxes receivable		80,436	80,436
Accounts receivable	128,013		128,013
Due from governmental entities	2,315,055		2,315,055
<b>Total assets</b>	<u><u>\$ 15,932,414</u></u>	<u><u>\$ 7,608,957</u></u>	<u><u>\$ 23,541,371</u></u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 336,774	\$ 622,638	\$ 959,412
Due to other funds	623,841		623,841
Accrued payroll and employee benefits	201,040		201,040
Unearned revenues	19,681		19,681
<b>Total liabilities</b>	<u>1,181,336</u>	<u>622,638</u>	<u>1,803,974</u>
Deferred inflows of resources:			
Unavailable revenues - property taxes		47,973	47,973
Unavailable revenues - intergovernmental	410,376		410,376
<b>Total deferred inflows of resources</b>	<u>410,376</u>	<u>47,973</u>	<u>458,349</u>
Fund balances (deficits):			
Restricted	14,751,078	6,938,346	21,689,424
Unassigned	(410,376)		(410,376)
<b>Total fund balances</b>	<u>14,340,702</u>	<u>6,938,346</u>	<u>21,279,048</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u><u>\$ 15,932,414</u></u>	<u><u>\$ 7,608,957</u></u>	<u><u>\$ 23,541,371</u></u>

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**YEAR ENDED JUNE 30, 2019**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b>Revenues:</b>			
Other local	\$ 17,792,032	\$ 378,534	\$ 18,170,566
Property taxes		6,862,599	6,862,599
State aid and grants	10,502,454		10,502,454
Federal aid, grants and reimbursements	9,924,047		9,924,047
<b>Total revenues</b>	<u>38,218,533</u>	<u>7,241,133</u>	<u>45,459,666</u>
<b>Expenditures:</b>			
Current -			
Instruction	16,445,466		16,445,466
Support services - students and staff	2,449,353		2,449,353
Support services - administration	2,702,378	22,413	2,724,791
Operation and maintenance of plant services	1,064,813		1,064,813
Student transportation services	996,658		996,658
Operation of non-instructional services	12,798,215		12,798,215
Capital outlay	822,983	6,761,350	7,584,333
<b>Total expenditures</b>	<u>37,279,866</u>	<u>6,783,763</u>	<u>44,063,629</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>938,667</u>	<u>457,370</u>	<u>1,396,037</u>
<b>Other financing sources (uses):</b>			
Transfer out	(818,746)		(818,746)
<b>Total other financing sources (uses)</b>	<u>(818,746)</u>		<u>(818,746)</u>
<b>Changes in fund balances</b>	<u>119,921</u>	<u>457,370</u>	<u>577,291</u>
<b>Fund balances, beginning of year</b>	14,220,781	6,480,976	20,701,757
<b>Fund balances, end of year</b>	<u>\$ 14,340,702</u>	<u>\$ 6,938,346</u>	<u>\$ 21,279,048</u>

## **SPECIAL REVENUE FUNDS**

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

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

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

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

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

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

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

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

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

**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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Grants and Gifts to Teachers** - to account for grants and gifts under \$1,500 received from private sources that are designated for use by a teacher for instructional purposes.

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



**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2019**

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>County, City, and Town Grants</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 4,100,052	\$ 2,081,328	\$ 6,294
Accounts receivable			
Due from governmental entities	1,304,370	312,248	
<b>Total assets</b>	<u>\$ 5,404,422</u>	<u>\$ 2,393,576</u>	<u>\$ 6,294</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			
Accrued payroll and employee benefits			
Unearned revenues	_____	_____	_____
<b>Total liabilities</b>	_____	_____	_____
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	_____	_____	_____
Fund balances (deficits):			
Restricted	5,404,422	2,393,576	6,294
Unassigned	_____	_____	_____
<b>Total fund balances</b>	<u>5,404,422</u>	<u>2,393,576</u>	<u>6,294</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 5,404,422</u>	<u>\$ 2,393,576</u>	<u>\$ 6,294</u>

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Limited English and Immigrant Students</u>	<u>Indian Education</u>	<u>Special Education Grants</u>	<u>E-Rate</u>
\$	\$	\$	\$ 28,801	\$	\$ 864,302
220,716	104,138	9,361	41,220	124,424	181,012
<u>\$ 220,716</u>	<u>\$ 104,138</u>	<u>\$ 9,361</u>	<u>\$ 70,021</u>	<u>\$ 124,424</u>	<u>\$ 1,045,314</u>
\$ 115,777	\$ 31,672	\$	\$ 21,039	\$	\$
92,992	72,466	9,361	48,982	124,424	
11,947					
<u>220,716</u>	<u>104,138</u>	<u>9,361</u>	<u>70,021</u>	<u>124,424</u>	
<u>220,716</u>	<u>54,580</u>	<u>9,361</u>		<u>124,424</u>	
(220,716)	(54,580)	(9,361)		(124,424)	1,045,314
<u>(220,716)</u>	<u>(54,580)</u>	<u>(9,361)</u>		<u>(124,424)</u>	<u>1,045,314</u>
<u>\$ 220,716</u>	<u>\$ 104,138</u>	<u>\$ 9,361</u>	<u>\$ 70,021</u>	<u>\$ 124,424</u>	<u>\$ 1,045,314</u>

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**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2019**

	<u>Other Federal Projects</u>	<u>Academic Contests</u>	<u>Results-based Funding</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$	\$ 1,481	\$ 1,880,490
Accounts receivable			
Due from governmental entities	1,295		
<b>Total assets</b>	<u>\$ 1,295</u>	<u>\$ 1,481</u>	<u>\$ 1,880,490</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$ 40,620
Due to other funds	1,295		
Accrued payroll and employee benefits			9,553
Unearned revenues		1,481	
<b>Total liabilities</b>	<u>1,295</u>	<u>1,481</u>	<u>50,173</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>1,295</u>		
Fund balances (deficits):			
Restricted			1,830,317
Unassigned	(1,295)		
<b>Total fund balances</b>	<u>(1,295)</u>		<u>1,830,317</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 1,295</u>	<u>\$ 1,481</u>	<u>\$ 1,880,490</u>

Other State Projects	Food Service	Civic Center	Community School	Auxiliary Operations	Extracurricular Activities Fees Tax Credit
\$ 18,200	\$ 990,915	\$ 706,076 48,969	\$ 893,018 79,044	\$ 472,819	\$ 945,512
	16,271				
<u>\$ 18,200</u>	<u>\$ 1,007,186</u>	<u>\$ 755,045</u>	<u>\$ 972,062</u>	<u>\$ 472,819</u>	<u>\$ 945,512</u>
\$	\$ 18,178	\$	\$ 56,831 274,321 164,046	\$ 12,571	\$ 16,157
18,200		15,494			
<u>18,200</u>	<u>18,178</u>	<u>15,494</u>	<u>495,198</u>	<u>12,571</u>	<u>16,157</u>
	989,008	739,551	476,864	460,248	929,355
	<u>989,008</u>	<u>739,551</u>	<u>476,864</u>	<u>460,248</u>	<u>929,355</u>
<u>\$ 18,200</u>	<u>\$ 1,007,186</u>	<u>\$ 755,045</u>	<u>\$ 972,062</u>	<u>\$ 472,819</u>	<u>\$ 945,512</u>

(Continued)

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2019**

	<u>Gifts and Donations</u>	<u>Fingerprint</u>	<u>Textbooks</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 415,737	\$ 8,296	\$ 72,414
Accounts receivable			
Due from governmental entities			
<b>Total assets</b>	<u><u>\$ 415,737</u></u>	<u><u>\$ 8,296</u></u>	<u><u>\$ 72,414</u></u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 23,929	\$	\$
Due to other funds			
Accrued payroll and employee benefits			
Unearned revenues			
<b>Total liabilities</b>	<u><u>23,929</u></u>		
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Restricted	391,808	8,296	72,414
Unassigned			
<b>Total fund balances</b>	<u><u>391,808</u></u>	<u><u>8,296</u></u>	<u><u>72,414</u></u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u><u>\$ 415,737</u></u>	<u><u>\$ 8,296</u></u>	<u><u>\$ 72,414</u></u>

Grants and Gifts to Teachers	Totals
\$ 3,611	\$ 13,489,346
	128,013
	2,315,055
<u>\$ 3,611</u>	<u>\$ 15,932,414</u>

\$	\$ 336,774
	623,841
	201,040
	19,681
	<u>1,181,336</u>

	<u>410,376</u>
--	----------------

3,611	14,751,078
	(410,376)
<u>3,611</u>	<u>14,340,702</u>

<u>\$ 3,611</u>	<u>\$ 15,932,414</u>
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**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>County, City, and Town Grants</u>
<b>Revenues:</b>			
Other local	\$ 151,118	\$ 42,776	\$
State aid and grants	7,826,220	701,813	
Federal aid, grants and reimbursements			
<b>Total revenues</b>	<u>7,977,338</u>	<u>744,589</u>	
<b>Expenditures:</b>			
Current -			
Instruction	9,028,705	549,044	421
Support services - students and staff	126,352	68,179	
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>9,155,057</u>	<u>617,223</u>	<u>421</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,177,719)</u>	<u>127,366</u>	<u>(421)</u>
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
<b>Total other financing sources (uses)</b>	<u></u>	<u></u>	<u></u>
<b>Changes in fund balances</b>	<u>(1,177,719)</u>	<u>127,366</u>	<u>(421)</u>
<b>Fund balances (deficits), beginning of year</b>	6,582,141	2,266,210	6,715
<b>Fund balances (deficits), end of year</b>	<u>\$ 5,404,422</u>	<u>\$ 2,393,576</u>	<u>\$ 6,294</u>

Structured English Immersion	Title I Grants	Professional Development and Technology Grants	Limited English and Immigrant Students	Indian Education	Special Education Grants
\$	\$	\$	\$	\$	\$
331,400					
	1,618,163	311,382	85,671	209,655	3,534,544
331,400	1,618,163	311,382	85,671	209,655	3,534,544
331,400	649,316		37,971	71,018	2,271,508
	563,763	222,231	41,178	126,365	423,785
	323,947	69,595	1,030	1,646	6,277
	30,991			1,765	615,220
331,400	1,568,017	291,826	80,179	200,794	3,316,790
	50,146	19,556	5,492	8,861	217,754
	(50,474)	(7,479)	(2,300)	(8,861)	(109,042)
	(50,474)	(7,479)	(2,300)	(8,861)	(109,042)
	(328)	12,077	3,192		108,712
	(220,388)	(66,657)	(12,553)		(233,136)
\$	\$ (220,716)	\$ (54,580)	\$ (9,361)	\$	\$ (124,424)

(Continued)



**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	<u>E-Rate</u>	<u>Other Federal Projects</u>	<u>Gifted</u>
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			18,826
Federal aid, grants and reimbursements	1,201,828		
<b>Total revenues</b>	<u>1,201,828</u>	<u></u>	<u>18,826</u>
<b>Expenditures:</b>			
Current -			
Instruction		687	2,893
Support services - students and staff			15,933
Support services - administration			
Operation and maintenance of plant services	156,514		
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>156,514</u>	<u>687</u>	<u>18,826</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>1,045,314</u>	<u>(687)</u>	<u></u>
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
<b>Total other financing sources (uses)</b>	<u></u>	<u></u>	<u></u>
<b>Changes in fund balances</b>	<u>1,045,314</u>	<u>(687)</u>	<u></u>
<b>Fund balances (deficits), beginning of year</b>		(608)	
<b>Fund balances (deficits), end of year</b>	<u>\$ 1,045,314</u>	<u>\$ (1,295)</u>	<u>\$</u>

Results-based Funding	Other State Projects	Food Service	Civic Center	Community School	Auxiliary Operations
\$ 1,360,178	\$ 264,017	\$ 3,103,171	\$ 393,630	\$ 11,045,447	\$ 1,728,682
		2,962,804			
<u>1,360,178</u>	<u>264,017</u>	<u>6,065,975</u>	<u>393,630</u>	<u>11,045,447</u>	<u>1,728,682</u>
159,711	36,241			682,760	1,627,562
450,153	227,776			76,463	13,797
65,412		149,206		1,982,917	60,015
		312,148	122,445	459,793	4,426
837			127,402	44,120	39,352
		4,933,494	2,925	7,859,190	
611		703,810	8,283	24,858	9,003
<u>676,724</u>	<u>264,017</u>	<u>6,098,658</u>	<u>261,055</u>	<u>11,130,101</u>	<u>1,754,155</u>
<u>683,454</u>		<u>(32,683)</u>	<u>132,575</u>	<u>(84,654)</u>	<u>(25,473)</u>
		(640,589)			(2,408)
		<u>(640,589)</u>			<u>(2,408)</u>
<u>683,454</u>		<u>(673,272)</u>	<u>132,575</u>	<u>(84,654)</u>	<u>(27,881)</u>
1,146,863		1,662,280	606,976	561,518	488,129
<u>\$ 1,830,317</u>	<u>\$</u>	<u>\$ 989,008</u>	<u>\$ 739,551</u>	<u>\$ 476,864</u>	<u>\$ 460,248</u>

(Continued)

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Extracurricular Activities Fees Tax Credit	Gifts and Donations	Fingerprint
<b>Revenues:</b>			
Other local	\$ 924,931	\$ 383,634	\$ 8,072
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>	<u>924,931</u>	<u>383,634</u>	<u>8,072</u>
<b>Expenditures:</b>			
Current -			
Instruction	789,088	205,043	
Support services - students and staff		83,794	
Support services - administration		32,656	9,677
Operation and maintenance of plant services		9,487	
Student transportation services	133,226	3,745	
Operation of non-instructional services		2,606	
Capital outlay	857	75,561	
<b>Total expenditures</b>	<u>923,171</u>	<u>412,892</u>	<u>9,677</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>1,760</u>	<u>(29,258)</u>	<u>(1,605)</u>
<b>Other financing sources (uses):</b>			
Transfer in		2,407	
Transfer out			
<b>Total other financing sources (uses)</b>		<u>2,407</u>	
<b>Changes in fund balances</b>	<u>1,760</u>	<u>(26,851)</u>	<u>(1,605)</u>
<b>Fund balances (deficits), beginning of year</b>	927,595	418,659	9,901
<b>Fund balances, end of year</b>	<u>\$ 929,355</u>	<u>\$ 391,808</u>	<u>\$ 8,296</u>

Textbooks	Grants and Gifts to Teachers	Totals
\$ 9,487	\$ 1,084	\$ 17,792,032
		10,502,454
		9,924,047
<u>9,487</u>	<u>1,084</u>	<u>38,218,533</u>
	2,098	16,445,466
9,584		2,449,353
		2,702,378
		1,064,813
		996,658
		12,798,215
		822,983
<u>9,584</u>	<u>2,098</u>	<u>37,279,866</u>
<u>(97)</u>	<u>(1,014)</u>	<u>938,667</u>
		2,407
		(821,153)
		<u>(818,746)</u>
<u>(97)</u>	<u>(1,014)</u>	<u>119,921</u>
72,511	4,625	14,220,781
<u>\$ 72,414</u>	<u>\$ 3,611</u>	<u>\$ 14,340,702</u>

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 151,118	\$ 151,118
State aid and grants		7,826,220	7,826,220
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>7,977,338</u>	<u>7,977,338</u>
<b>Expenditures:</b>			
Current -			
Instruction	14,229,480	9,028,705	5,200,775
Support services - students and staff	181,490	126,352	55,138
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>14,410,970</u>	<u>9,155,057</u>	<u>5,255,913</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(14,410,970)</u>	<u>(1,177,719)</u>	<u>13,233,251</u>
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(14,410,970)</u>	<u>(1,177,719)</u>	<u>13,233,251</u>
<b>Fund balances (deficits), beginning of year</b>		6,582,141	6,582,141
<b>Fund balances (deficits), end of year</b>	<u>\$ (14,410,970)</u>	<u>\$ 5,404,422</u>	<u>\$ 19,815,392</u>

Instructional Improvement			County, City, and Town Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 42,776 701,813	\$ 42,776 701,813	\$	\$	\$
	744,589	744,589			
830,000	549,044 68,179	280,956 (68,179)	6,314	421	5,893
830,000	617,223	212,777	6,314	421	5,893
(830,000)	127,366	957,366	(6,314)	(421)	5,893
(830,000)	127,366	957,366	(6,314)	(421)	5,893
	2,266,210	2,266,210		6,715	6,715
\$ (830,000)	\$ 2,393,576	\$ 3,223,576	\$ (6,314)	\$ 6,294	\$ 12,608

(Continued)

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Structured English Immersion		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants		331,400	331,400
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>331,400</u>	<u>331,400</u>
<b>Expenditures:</b>			
Current -			
Instruction	338,107	331,400	6,707
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>338,107</u>	<u>331,400</u>	<u>6,707</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(338,107)</u>		<u>338,107</u>
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(338,107)</u>		<u>338,107</u>
<b>Fund balances (deficits), beginning of year</b>			
<b>Fund balances (deficits), end of year</b>	<u>\$ (338,107)</u>	<u>\$</u>	<u>\$ 338,107</u>

Title I Grants			Professional Development and Technology Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	1,618,163	1,618,163		311,382	311,382
	1,618,163	1,618,163		311,382	311,382
1,795,460	649,316	1,146,144			
	563,763	(563,763)	350,839	222,231	128,608
	323,947	(323,947)		69,595	(69,595)
	30,991	(30,991)			
1,795,460	1,568,017	227,443	350,839	291,826	59,013
(1,795,460)	50,146	1,845,606	(350,839)	19,556	370,395
	(50,474)	(50,474)		(7,479)	(7,479)
	(50,474)	(50,474)		(7,479)	(7,479)
(1,795,460)	(328)	1,795,132	(350,839)	12,077	362,916
	(220,388)	(220,388)		(66,657)	(66,657)
\$ (1,795,460)	\$ (220,716)	\$ 1,574,744	\$ (350,839)	\$ (54,580)	\$ 296,259

(Continued)



**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Limited English and Immigrant Students		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		85,671	85,671
<b>Total revenues</b>		<u>85,671</u>	<u>85,671</u>
<b>Expenditures:</b>			
Current -			
Instruction		37,971	(37,971)
Support services - students and staff	86,418	41,178	45,240
Support services - administration		1,030	(1,030)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>86,418</u>	<u>80,179</u>	<u>6,239</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(86,418)</u>	<u>5,492</u>	<u>91,910</u>
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out		(2,300)	(2,300)
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>		<u>(2,300)</u>	<u>(2,300)</u>
<b>Changes in fund balances</b>	<u>(86,418)</u>	<u>3,192</u>	<u>89,610</u>
<b>Fund balances (deficits), beginning of year</b>		(12,553)	(12,553)
<b>Fund balances (deficits), end of year</b>	<u>\$ (86,418)</u>	<u>\$ (9,361)</u>	<u>\$ 77,057</u>

Indian Education			Special Education Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	209,655	209,655		3,534,544	3,534,544
	209,655	209,655		3,534,544	3,534,544
	71,018	(71,018)	3,754,263	2,271,508	1,482,755
219,555	126,365	93,190		423,785	(423,785)
	1,646	(1,646)		6,277	(6,277)
	1,765	(1,765)		615,220	(615,220)
219,555	200,794	18,761	3,754,263	3,316,790	437,473
(219,555)	8,861	228,416	(3,754,263)	217,754	3,972,017
	(8,861)	(8,861)		(109,042)	(109,042)
	(8,861)	(8,861)		(109,042)	(109,042)
(219,555)		219,555	(3,754,263)	108,712	3,862,975
				(233,136)	(233,136)
\$ (219,555)	\$	\$ 219,555	\$ (3,754,263)	\$ (124,424)	\$ 3,629,839

(Continued)

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Medicaid Reimbursement		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 49,417	\$ 49,417
State aid and grants			
Federal aid, grants and reimbursements		801,814	801,814
<b>Total revenues</b>		<u>851,231</u>	<u>851,231</u>
<b>Expenditures:</b>			
Current -			
Instruction		1,301	(1,301)
Support services - students and staff		454,149	(454,149)
Support services - administration	2,000,000	700,933	1,299,067
Operation and maintenance of plant services		34,041	(34,041)
Student transportation services		405	(405)
Operation of non-instructional services			
Capital outlay		2,729	(2,729)
<b>Total expenditures</b>	<u>2,000,000</u>	<u>1,193,558</u>	<u>806,442</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(2,000,000)</u>	<u>(342,327)</u>	<u>1,657,673</u>
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(2,000,000)</u>	<u>(342,327)</u>	<u>1,657,673</u>
<b>Fund balances (deficits), beginning of year</b>		2,988,329	2,988,329
<b>Fund balances (deficits), end of year</b>	<u>\$ (2,000,000)</u>	<u>\$ 2,646,002</u>	<u>\$ 4,646,002</u>



**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Gifted		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants		18,826	18,826
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>18,826</u>	<u>18,826</u>
<b>Expenditures:</b>			
Current -			
Instruction		2,893	(2,893)
Support services - students and staff	12,883	15,933	(3,050)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>12,883</u>	<u>18,826</u>	<u>(5,943)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(12,883)</u>		<u>12,883</u>
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(12,883)</u>		<u>12,883</u>
<b>Fund balances (deficits), beginning of year</b>			
<b>Fund balances (deficits), end of year</b>	<u>\$ (12,883)</u>	<u>\$</u>	<u>\$ 12,883</u>

Results-based Funding			Other State Projects		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	1,360,178	1,360,178		264,017	264,017
	<u>1,360,178</u>	<u>1,360,178</u>		<u>264,017</u>	<u>264,017</u>
	159,711	(159,711)		36,241	(36,241)
2,494,811	450,153	2,044,658	264,218	227,776	36,442
	65,412	(65,412)			
	837	(837)			
	611	(611)			
<u>2,494,811</u>	<u>676,724</u>	<u>1,818,087</u>	<u>264,218</u>	<u>264,017</u>	<u>201</u>
<u>(2,494,811)</u>	<u>683,454</u>	<u>3,178,265</u>	<u>(264,218)</u>		<u>264,218</u>
<u>(2,494,811)</u>	<u>683,454</u>	<u>3,178,265</u>	<u>(264,218)</u>		<u>264,218</u>
	1,146,863	1,146,863			
<u>\$ (2,494,811)</u>	<u>\$ 1,830,317</u>	<u>\$ 4,325,128</u>	<u>\$ (264,218)</u>	<u>\$</u>	<u>\$ 264,218</u>

(Continued)

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	School Plant		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 22,034	\$ 22,034
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>22,034</u>	<u>22,034</u>
<b>Expenditures:</b>			
Current -			
Instruction	50,000	48,043	1,957
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>50,000</u>	<u>48,043</u>	<u>1,957</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(50,000)</u>	<u>(26,009)</u>	<u>23,991</u>
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
Proceeds from sale of capital assets		29,089	29,089
<b>Total other financing sources (uses)</b>		<u>29,089</u>	<u>29,089</u>
<b>Changes in fund balances</b>	<u>(50,000)</u>	<u>3,080</u>	<u>53,080</u>
<b>Fund balances (deficits), beginning of year</b>		1,062,500	1,062,500
<b>Fund balances (deficits), end of year</b>	<u>\$ (50,000)</u>	<u>\$ 1,065,580</u>	<u>\$ 1,115,580</u>

Food Service			Civic Center		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 3,103,171	\$ 3,103,171	\$	\$ 393,630	\$ 393,630
	2,962,804	2,962,804			
	<u>6,065,975</u>	<u>6,065,975</u>		<u>393,630</u>	<u>393,630</u>
	149,206	(149,206)			
	312,148	(312,148)			
			700,000	122,445	(122,445)
6,592,792	4,933,494	1,659,298		127,402	572,598
	703,810	(703,810)		2,925	(2,925)
<u>6,592,792</u>	<u>6,098,658</u>	<u>494,134</u>	<u>700,000</u>	<u>8,283</u>	<u>(8,283)</u>
				261,055	438,945
<u>(6,592,792)</u>	<u>(32,683)</u>	<u>6,560,109</u>	<u>(700,000)</u>	<u>132,575</u>	<u>832,575</u>
	(640,589)	(640,589)			
	<u>(640,589)</u>	<u>(640,589)</u>			
<u>(6,592,792)</u>	<u>(673,272)</u>	<u>5,919,520</u>	<u>(700,000)</u>	<u>132,575</u>	<u>832,575</u>
	1,662,280	1,662,280		606,976	606,976
<u>\$ (6,592,792)</u>	<u>\$ 989,008</u>	<u>\$ 7,581,800</u>	<u>\$ (700,000)</u>	<u>\$ 739,551</u>	<u>\$ 1,439,551</u>

(Continued)



**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Community School		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 11,045,447	\$ 11,045,447
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>11,045,447</u>	<u>11,045,447</u>
<b>Expenditures:</b>			
Current -			
Instruction		682,760	(682,760)
Support services - students and staff		76,463	(76,463)
Support services - administration		1,982,917	(1,982,917)
Operation and maintenance of plant services		459,793	(459,793)
Student transportation services		44,120	(44,120)
Operation of non-instructional services	12,000,000	7,859,190	4,140,810
Capital outlay		24,858	(24,858)
<b>Total expenditures</b>	<u>12,000,000</u>	<u>11,130,101</u>	<u>869,899</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(12,000,000)</u>	<u>(84,654)</u>	<u>11,915,346</u>
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(12,000,000)</u>	<u>(84,654)</u>	<u>11,915,346</u>
<b>Fund balances (deficits), beginning of year</b>		561,518	561,518
<b>Fund balances (deficits), end of year</b>	<u>\$ (12,000,000)</u>	<u>\$ 476,864</u>	<u>\$ 12,476,864</u>

Auxiliary Operations			Extracurricular Activities Fees Tax Credit		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,728,682	\$ 1,728,682	\$	\$ 927,338	\$ 927,338
	<u>1,728,682</u>	<u>1,728,682</u>		<u>927,338</u>	<u>927,338</u>
2,000,000	1,627,562	372,438	1,200,000	789,088	410,912
	13,797	(13,797)			
	60,015	(60,015)			
	4,426	(4,426)			
	39,352	(39,352)		133,226	(133,226)
	9,003	(9,003)		857	(857)
<u>2,000,000</u>	<u>1,754,155</u>	<u>245,845</u>	<u>1,200,000</u>	<u>923,171</u>	<u>276,829</u>
<u>(2,000,000)</u>	<u>(25,473)</u>	<u>1,974,527</u>	<u>(1,200,000)</u>	<u>4,167</u>	<u>1,204,167</u>
	(2,408)	(2,408)		(2,407)	(2,407)
	<u>(2,408)</u>	<u>(2,408)</u>		<u>(2,407)</u>	<u>(2,407)</u>
<u>(2,000,000)</u>	<u>(27,881)</u>	<u>1,972,119</u>	<u>(1,200,000)</u>	<u>1,760</u>	<u>1,201,760</u>
	488,129	488,129		927,595	927,595
<u>\$ (2,000,000)</u>	<u>\$ 460,248</u>	<u>\$ 2,460,248</u>	<u>\$ (1,200,000)</u>	<u>\$ 929,355</u>	<u>\$ 2,129,355</u>

(Continued)

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Gifts and Donations		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 383,634	\$ 383,634
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>383,634</u>	<u>383,634</u>
<b>Expenditures:</b>			
Current -			
Instruction	331,086	205,043	126,043
Support services - students and staff		83,794	(83,794)
Support services - administration		32,656	(32,656)
Operation and maintenance of plant services		9,487	(9,487)
Student transportation services		3,745	(3,745)
Operation of non-instructional services		2,606	(2,606)
Capital outlay		75,561	(75,561)
<b>Total expenditures</b>	<u>331,086</u>	<u>412,892</u>	<u>(81,806)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(331,086)</u>	<u>(29,258)</u>	<u>301,828</u>
<b>Other financing sources (uses):</b>			
Transfer in		2,407	2,407
Transfer out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>		<u>2,407</u>	<u>2,407</u>
<b>Changes in fund balances</b>	<u>(331,086)</u>	<u>(26,851)</u>	<u>304,235</u>
<b>Fund balances (deficits), beginning of year</b>		418,659	418,659
<b>Fund balances (deficits), end of year</b>	<u>\$ (331,086)</u>	<u>\$ 391,808</u>	<u>\$ 722,894</u>

Fingerprint			Textbooks		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 8,072	\$ 8,072	\$	\$ 9,487	\$ 9,487
	8,072	8,072		9,487	9,487
14,415	9,677	4,738	75,000	9,584	65,416
14,415	9,677	4,738	75,000	9,584	65,416
(14,415)	(1,605)	12,810	(75,000)	(97)	74,903
(14,415)	(1,605)	12,810	(75,000)	(97)	74,903
	9,901	9,901		72,511	72,511
\$ (14,415)	\$ 8,296	\$ 22,711	\$ (75,000)	\$ 72,414	\$ 147,414

(Continued)

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Indirect Costs		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 14,856	\$ 14,856
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>14,856</u>	<u>14,856</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff		2,742	(2,742)
Support services - administration		12,797	(12,797)
Operation and maintenance of plant services	854,717	360,160	494,557
Student transportation services		425	(425)
Operation of non-instructional services		728	(728)
Capital outlay			
<b>Total expenditures</b>	<u>854,717</u>	<u>376,852</u>	<u>477,865</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(854,717)</u>	<u>(361,996)</u>	<u>492,721</u>
<b>Other financing sources (uses):</b>			
Transfer in		818,746	818,746
Transfer out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>		<u>818,746</u>	<u>818,746</u>
<b>Changes in fund balances</b>	<u>(854,717)</u>	<u>456,750</u>	<u>1,311,467</u>
<b>Fund balances (deficits), beginning of year</b>		732,703	732,703
<b>Fund balances (deficits), end of year</b>	<u>\$ (854,717)</u>	<u>\$ 1,189,453</u>	<u>\$ 2,044,170</u>

Grants and Gifts to Teachers			Advertisement		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 1,084	\$ 1,084	\$	\$ 10,093	\$ 10,093
	1,084	1,084		10,093	10,093
7,000	2,098	4,902		300	(300)
			34,000	20,289	13,711
				157	(157)
7,000	2,098	4,902	34,000	20,746	13,254
(7,000)	(1,014)	5,986	(34,000)	(10,653)	23,347
(7,000)	(1,014)	5,986	(34,000)	(10,653)	23,347
	4,625	4,625		34,481	34,481
\$ (7,000)	\$ 3,611	\$ 10,611	\$ (34,000)	\$ 23,828	\$ 57,828

(Continued)

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 17,888,432	\$ 17,888,432
State aid and grants		10,502,454	10,502,454
Federal aid, grants and reimbursements		10,725,861	10,725,861
<b>Total revenues</b>		<u>39,116,747</u>	<u>39,116,747</u>
<b>Expenditures:</b>			
Current -			
Instruction	24,589,710	16,495,110	8,094,600
Support services - students and staff	3,685,214	2,906,244	778,970
Support services - administration	2,048,415	3,436,397	(1,387,982)
Operation and maintenance of plant services	2,304,717	1,459,014	845,703
Student transportation services	700,000	997,488	(297,488)
Operation of non-instructional services	18,592,792	12,798,943	5,793,849
Capital outlay		825,869	(825,869)
<b>Total expenditures</b>	<u>51,920,848</u>	<u>38,919,065</u>	<u>13,001,783</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(51,920,848)</u>	<u>197,682</u>	<u>52,118,530</u>
<b>Other financing sources (uses):</b>			
Transfer in		821,153	821,153
Transfer out		(821,153)	(821,153)
Proceeds from sale of capital assets		29,089	29,089
<b>Total other financing sources (uses)</b>		<u>29,089</u>	<u>29,089</u>
<b>Changes in fund balances</b>	<u>(51,920,848)</u>	<u>226,771</u>	<u>52,147,619</u>
<b>Fund balances (deficits), beginning of year</b>		19,038,794	19,038,794
<b>Fund balances (deficits), end of year</b>	<u>\$ (51,920,848)</u>	<u>\$ 19,265,565</u>	<u>\$ 71,186,413</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.



**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL DEBT SERVICE FUND**  
**YEAR ENDED JUNE 30, 2019**

	Debt Service		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 1,176,212	\$ 1,176,212
Property taxes		20,486,321	20,486,321
Federal aid, grants and reimbursements		631,327	631,327
<b>Total revenues</b>		<u>22,293,860</u>	<u>22,293,860</u>
<b>Expenditures:</b>			
Debt service -			
Principal retirement	15,715,000	15,715,000	
Interest and fiscal charges	4,435,000	9,255,572	(4,820,572)
<b>Total expenditures</b>	<u>20,150,000</u>	<u>24,970,572</u>	<u>(4,820,572)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(20,150,000)</u>	<u>(2,676,712)</u>	<u>17,473,288</u>
<b>Other financing sources (uses):</b>			
Transfer in		686,164	686,164
<b>Total other financing sources (uses)</b>		<u>686,164</u>	<u>686,164</u>
<b>Changes in fund balances</b>	<u>(20,150,000)</u>	<u>(1,990,548)</u>	<u>18,159,452</u>
<b>Fund balances, beginning of year</b>		33,973,112	33,973,112
<b>Fund balances (deficits), end of year</b>	<u>\$ (20,150,000)</u>	<u>\$ 31,982,564</u>	<u>\$ 52,132,564</u>

## **CAPITAL PROJECTS FUNDS**

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

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

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

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

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

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

**Condemnation** - to account for monies received from proceeds from sales by condemnation or right-of-way settlements.

**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.

**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.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS**  
**JUNE 30, 2019**

	<u>Litigation Recovery</u>	<u>Unrestricted Capital Outlay</u>	<u>Adjacent Ways</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 78,353	\$ 6,793,489	\$ 619,386
Property taxes receivable		80,436	
<b>Total assets</b>	<u><u>\$ 78,353</u></u>	<u><u>\$ 6,873,925</u></u>	<u><u>\$ 619,386</u></u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$ 622,638	\$
<b>Total liabilities</b>	<u>622,638</u>	<u>622,638</u>	
Deferred inflows of resources:			
Unavailable revenues - property taxes		47,973	
Fund balances:			
Restricted	78,353	6,203,314	619,386
<b>Total fund balances</b>	<u>78,353</u>	<u>6,203,314</u>	<u>619,386</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u><u>\$ 78,353</u></u>	<u><u>\$ 6,873,925</u></u>	<u><u>\$ 619,386</u></u>

<u>Gifts and Donations - Capital</u>	<u>Condemnation</u>	<u>Energy and Water Savings</u>	<u>Building Renewal Grant</u>	<u>Totals</u>
\$ 23,987	\$ 2,486	\$ 9,655	\$ 1,165	\$ 7,528,521
				80,436
<u>\$ 23,987</u>	<u>\$ 2,486</u>	<u>\$ 9,655</u>	<u>\$ 1,165</u>	<u>\$ 7,608,957</u>
\$	\$	\$	\$	\$ 622,638
				622,638
				47,973
23,987	2,486	9,655	1,165	6,938,346
<u>23,987</u>	<u>2,486</u>	<u>9,655</u>	<u>1,165</u>	<u>6,938,346</u>
<u>\$ 23,987</u>	<u>\$ 2,486</u>	<u>\$ 9,655</u>	<u>\$ 1,165</u>	<u>\$ 7,608,957</u>

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Litigation Recovery	Unrestricted Capital Outlay	Adjacent Ways
<b>Revenues:</b>			
Other local	\$ 1,620	\$ 350,719	\$ 13,286
Property taxes		6,862,549	50
<b>Total revenues</b>	<u>1,620</u>	<u>7,213,268</u>	<u>13,336</u>
<b>Expenditures:</b>			
Current -			
Support services - administration	22,413		
Capital outlay		6,750,214	
<b>Total expenditures</b>	<u>22,413</u>	<u>6,750,214</u>	
<b>Changes in fund balances</b>	<u>(20,793)</u>	<u>463,054</u>	<u>13,336</u>
<b>Fund balances, beginning of year</b>	99,146	5,740,260	606,050
<b>Fund balances, end of year</b>	<u>\$ 78,353</u>	<u>\$ 6,203,314</u>	<u>\$ 619,386</u>

<u>Gifts and Donations - Capital</u>	<u>Condemnation</u>	<u>Energy and Water Savings</u>	<u>Building Renewal Grant</u>	<u>Totals</u>
\$ 12,837	\$ 51	\$	\$ 21	\$ 378,534
<u>12,837</u>	<u>51</u>		<u>21</u>	<u>6,862,599</u>
				<u>7,241,133</u>
				22,413
11,136				<u>6,761,350</u>
<u>11,136</u>				<u>6,783,763</u>
1,701	51		21	<u>457,370</u>
22,286	2,435	9,655	1,144	6,480,976
<u>\$ 23,987</u>	<u>\$ 2,486</u>	<u>\$ 9,655</u>	<u>\$ 1,165</u>	<u>\$ 6,938,346</u>

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Insurance Proceeds		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 3,167	\$ 3,167
Property taxes			
<b>Total revenues</b>		<u>3,167</u>	<u>3,167</u>
<b>Expenditures:</b>			
Current -			
Instruction	200,000	4,285	195,715
Support services - administration		2,445	(2,445)
Operation and maintenance of plant services		51,737	(51,737)
Student transportation services		20,839	(20,839)
Capital outlay		9,453	(9,453)
Debt service -			
Bond issuance costs			
<b>Total expenditures</b>	<u>200,000</u>	<u>88,759</u>	<u>111,241</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(200,000)</u>	<u>(85,592)</u>	<u>114,408</u>
<b>Other financing sources (uses):</b>			
Transfer out			
Issuance of school improvement bonds			
Premium on sale of bonds			
Insurance recoveries		86,812	86,812
<b>Total other financing sources (uses)</b>		<u>86,812</u>	<u>86,812</u>
<b>Changes in fund balances</b>	<u>(200,000)</u>	<u>1,220</u>	<u>201,220</u>
<b>Fund balances, beginning of year</b>		177,706	177,706
<b>Fund balances (deficits), end of year</b>	<u>\$ (200,000)</u>	<u>\$ 178,926</u>	<u>\$ 378,926</u>

Litigation Recovery			Unrestricted Capital Outlay		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,620	\$ 1,620	\$	\$ 350,719	\$ 350,719
				6,862,549	6,862,549
	1,620	1,620		7,213,268	7,213,268
58,591	22,413	36,178	13,045,792	6,750,214	6,295,578
58,591	22,413	36,178	13,045,792	6,750,214	6,295,578
(58,591)	(20,793)	37,798	(13,045,792)	463,054	13,508,846
(58,591)	(20,793)	37,798	(13,045,792)	463,054	13,508,846
	99,146	99,146		5,740,260	5,740,260
\$ (58,591)	\$ 78,353	\$ 136,944	\$ (13,045,792)	\$ 6,203,314	\$ 19,249,106

(Continued)



**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Adjacent Ways		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 13,286	\$ 13,286
Property taxes		50	50
<b>Total revenues</b>		<u>13,336</u>	<u>13,336</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Capital outlay	615,004		615,004
Debt service -			
Bond issuance costs			
<b>Total expenditures</b>	<u>615,004</u>		<u>615,004</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(615,004)</u>	<u>13,336</u>	<u>628,340</u>
<b>Other financing sources (uses):</b>			
Transfer out			
Issuance of school improvement bonds			
Premium on sale of bonds			
Insurance recoveries			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(615,004)</u>	<u>13,336</u>	<u>628,340</u>
<b>Fund balances, beginning of year</b>		606,050	606,050
<b>Fund balances (deficits), end of year</b>	<u>\$ (615,004)</u>	<u>\$ 619,386</u>	<u>\$ 1,234,390</u>

Bond Building			Gifts and Donations - Capital		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 686,170	\$ 686,170	\$	\$ 12,837	\$ 12,837
	686,170	686,170		12,837	12,837
62,565,111	22,566,078	39,999,033	70,000	11,136	58,864
	357,734	(357,734)			
62,565,111	22,923,812	39,641,299	70,000	11,136	58,864
(62,565,111)	(22,237,642)	40,327,469	(70,000)	1,701	71,701
	(686,164)	(686,164)			
	29,965,000	29,965,000			
	3,354,609	3,354,609			
	32,633,445	32,633,445			
(62,565,111)	10,395,803	72,960,914	(70,000)	1,701	71,701
	28,165,020	28,165,020		22,286	22,286
\$ (62,565,111)	\$ 38,560,823	\$ 101,125,934	\$ (70,000)	\$ 23,987	\$ 93,987

(Continued)

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Condemnation		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 51	\$ 51
Property taxes			
<b>Total revenues</b>		<u>51</u>	<u>51</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Capital outlay	5,365		5,365
Debt service -			
Bond issuance costs			
<b>Total expenditures</b>	<u>5,365</u>		<u>5,365</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(5,365)</u>	<u>51</u>	<u>5,416</u>
<b>Other financing sources (uses):</b>			
Transfer out			
Issuance of school improvement bonds			
Premium on sale of bonds			
Insurance recoveries			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(5,365)</u>	<u>51</u>	<u>5,416</u>
<b>Fund balances, beginning of year</b>		2,435	2,435
<b>Fund balances (deficits), end of year</b>	<u>\$ (5,365)</u>	<u>\$ 2,486</u>	<u>\$ 7,851</u>

Energy and Water Savings			Building Renewal Grant		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 21	\$ 21
				21	21
10,000		10,000	2,000		2,000
10,000		10,000	2,000		2,000
(10,000)		10,000	(2,000)	21	2,021
(10,000)		10,000	(2,000)	21	2,021
	9,655	9,655		1,144	1,144
\$ (10,000)	\$ 9,655	\$ 19,655	\$ (2,000)	\$ 1,165	\$ 3,165

(Continued)

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 1,067,871	\$ 1,067,871
Property taxes		6,862,599	6,862,599
<b>Total revenues</b>		<u>7,930,470</u>	<u>7,930,470</u>
<b>Expenditures:</b>			
Current -			
Instruction	200,000	4,285	195,715
Support services - administration	58,591	24,858	33,733
Operation and maintenance of plant services		51,737	(51,737)
Student transportation services		20,839	(20,839)
Capital outlay	76,313,272	29,336,881	46,976,391
Debt service -			
Bond issuance costs		357,734	(357,734)
<b>Total expenditures</b>	<u>76,571,863</u>	<u>29,796,334</u>	<u>46,775,529</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(76,571,863)</u>	<u>(21,865,864)</u>	<u>54,705,999</u>
<b>Other financing sources (uses):</b>			
Transfer out		(686,164)	(686,164)
Issuance of school improvement bonds		29,965,000	29,965,000
Premium on sale of bonds		3,354,609	3,354,609
Insurance recoveries		86,812	86,812
<b>Total other financing sources (uses)</b>		<u>32,720,257</u>	<u>32,720,257</u>
<b>Changes in fund balances</b>	<u>(76,571,863)</u>	<u>10,854,393</u>	<u>87,426,256</u>
<b>Fund balances, beginning of year</b>		34,823,702	34,823,702
<b>Fund balances (deficits), end of year</b>	<u>\$ (76,571,863)</u>	<u>\$ 45,678,095</u>	<u>\$ 122,249,958</u>

## **INTERNAL SERVICE FUNDS**

**District Services** - to account for the operation of District functions that provide goods or services to other District and internal departments on a cost-reimbursement basis.

**Intergovernmental Agreements** - to account for the financial activities relating to agreements with other governments, where the District is the fiscal agent.

**Employee Benefit Trust** - to account for the financial activity associated with the District's self-insurance program.

**Workers Compensation** – to account for the financial activity associated with the program for employee workers' compensation.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING STATEMENT OF FUND NET POSITION**  
**- ALL INTERNAL SERVICE FUNDS**  
**JUNE 30, 2019**

	<u>District Services</u>	<u>Intergovernmental Agreements</u>	<u>Employee Benefit Trust</u>
<b><u>ASSETS</u></b>			
Current assets:			
Cash and investments	\$ 742,100	\$	\$ 3,619,237
Accounts receivable			166,094
Due from governmental entities	75,730	78,826	
Due from other funds	70,500		
Total current assets	<u>888,330</u>	<u>78,826</u>	<u>3,785,331</u>
Noncurrent assets:			
Capital assets, net of accumulated depreciation	<u>367,465</u>		
Total noncurrent assets	<u>367,465</u>		
<b>Total assets</b>	<u>1,255,795</u>	<u>78,826</u>	<u>3,785,331</u>
<b><u>LIABILITIES</u></b>			
Current liabilities:			
Accounts payable	254,494		52,491
Claims payable			2,117,000
Due to other funds		70,500	
Accrued payroll and employee benefits	9,631	4,293	3,001
Total current liabilities	<u>264,125</u>	<u>74,793</u>	<u>2,172,492</u>
<b>Total liabilities</b>	<u>264,125</u>	<u>74,793</u>	<u>2,172,492</u>
<b><u>NET POSITION</u></b>			
Investment in capital assets	367,465		
Unrestricted	624,205	4,033	1,612,839
<b>Total net position</b>	<u>\$ 991,670</u>	<u>\$ 4,033</u>	<u>\$ 1,612,839</u>

<u>Workers Compensation</u>	<u>Totals</u>
\$ 543,333	\$ 4,904,670
10,516	176,610
	154,556
	70,500
<u>553,849</u>	<u>5,306,336</u>
	367,465
	<u>367,465</u>
<u>553,849</u>	<u>5,673,801</u>
532,264	839,249
	2,117,000
	70,500
	16,925
<u>532,264</u>	<u>3,043,674</u>
<u>532,264</u>	<u>3,043,674</u>
	367,465
21,585	<u>2,262,662</u>
<u>\$ 21,585</u>	<u>\$ 2,630,127</u>



**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -**  
**ALL INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<u>District Services</u>	<u>Intergovernmental Agreements</u>	<u>Employee Benefit Trust</u>
<b>Operating revenues:</b>			
Contributions	\$	\$	\$ 13,564,325
Charges for services	1,225,419	241,984	
<b>Total operating revenues</b>	<u>1,225,419</u>	<u>241,984</u>	<u>13,564,325</u>
<b>Operating expenses:</b>			
Depreciation	120,896		
Claims			14,801,326
Premiums			1,077,398
Administrative fees			1,160,338
Cost of services	952,994	237,951	
<b>Total operating expenses</b>	<u>1,073,890</u>	<u>237,951</u>	<u>17,039,062</u>
<b>Operating income (loss)</b>	<u>151,529</u>	<u>4,033</u>	<u>(3,474,737)</u>
<b>Nonoperating revenues (expenses):</b>			
Investment income	10,040		98,131
<b>Total nonoperating revenues (expenses)</b>	<u>10,040</u>		<u>98,131</u>
<b>Changes in net position</b>	<u>161,569</u>	<u>4,033</u>	<u>(3,376,606)</u>
<b>Total net position, beginning of year</b>	830,101		4,989,445
<b>Total net position, end of year</b>	<u>\$ 991,670</u>	<u>\$ 4,033</u>	<u>\$ 1,612,839</u>

<u>Workers Compensation</u>	<u>Totals</u>
\$ 527,157	\$ 14,091,482
	1,467,403
<u>527,157</u>	<u>15,558,885</u>
	120,896
	14,801,326
528,593	1,605,991
	1,160,338
	1,190,945
<u>528,593</u>	<u>18,879,496</u>
<u>(1,436)</u>	<u>(3,320,611)</u>
<u>7,877</u>	<u>116,048</u>
<u>7,877</u>	<u>116,048</u>
<u>6,441</u>	<u>(3,204,563)</u>
15,144	5,834,690
<u>\$ 21,585</u>	<u>\$ 2,630,127</u>

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**COMBINING STATEMENT OF CASH FLOWS - ALL INTERNAL SERVICE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	<u>District Services</u>	<u>Intergovernmental Agreements</u>
<b><u>Increase/Decrease in Cash and Cash Equivalents</u></b>		
<b>Cash flows from operating activities:</b>		
Cash received from contributions	\$	\$
Cash received from other sources	1,248,502	233,658
Cash payments to suppliers for goods and services	(725,463)	(233,658)
Cash payments for claims		
<b>Net cash provided by/used for operating activities</b>	<u>523,039</u>	
<b>Cash flows from investing activities:</b>		
Investment income	<u>10,040</u>	
<b>Net cash provided by/used for investing activities</b>	<u>10,040</u>	
<b>Cash flows from noncapital financing activities:</b>		
Acquisition of capital assets	<u>(202,160)</u>	
<b>Net cash provided by/used for noncapital financing activities</b>	<u>(202,160)</u>	
<b>Net increase/decrease in cash and cash equivalents</b>	<u>330,919</u>	
<b>Cash and cash equivalents, beginning of year</b>	<u>411,181</u>	
<b>Cash and cash equivalents, end of year</b>	<u>\$ 742,100</u>	<u>\$</u>

**Reconciliation of Operating Income/Loss to Net Cash Provided by/Used for Operating Activities**

<b>Operating income/loss</b>	\$ 151,529	\$ 4,033
Adjustments to reconcile operating income/loss to net cash provided by/used for operating activities:		
Depreciation expense	120,896	
Changes in assets and liabilities:		
Increase/decrease in due from governmental entities	27,217	(12,460)
Increase/decrease in accounts receivable		
Increase/decrease in due from other funds	(4,134)	
Increase/decrease in accrued payroll and employee benefits	(501)	4,293
Increase/decrease in accounts payable	228,032	
Increase/decrease in claims payable		
Increase/decrease in unearned revenue		
Increase/decrease in due to other funds		4,134
<b>Total adjustments</b>	<u>371,510</u>	<u>(4,033)</u>
<b>Net cash provided by/used for operating activities</b>	<u>\$ 523,039</u>	<u>\$</u>

<u>Employee Benefit Trust</u>	<u>Workers Compensation</u>	<u>Totals</u>
\$ 13,398,231	\$ 535,761	\$ 13,933,992
(2,216,015)	(500,273)	1,482,160
<u>(14,802,326)</u>		<u>(3,675,409)</u>
		<u>(14,802,326)</u>
<u>(3,620,110)</u>	<u>35,488</u>	<u>(3,061,583)</u>
<u>98,131</u>	<u>7,877</u>	<u>116,048</u>
<u>98,131</u>	<u>7,877</u>	<u>116,048</u>
		<u>(202,160)</u>
		<u>(202,160)</u>
<u>(3,521,979)</u>	<u>43,365</u>	<u>(3,147,695)</u>
<u>7,141,216</u>	<u>499,968</u>	<u>8,052,365</u>
\$ <u><u>3,619,237</u></u>	\$ <u><u>543,333</u></u>	\$ <u><u>4,904,670</u></u>
\$ (3,474,737)	\$ (1,436)	\$ (3,320,611)
		120,896
		14,757
(166,094)	8,604	(157,490)
		(4,134)
3,001		6,793
18,720	28,320	275,072
(1,000)		(1,000)
		<u>4,134</u>
<u>(145,373)</u>	<u>36,924</u>	<u>259,028</u>
\$ <u><u>(3,620,110)</u></u>	\$ <u><u>35,488</u></u>	\$ <u><u>(3,061,583)</u></u>

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## **AGENCY FUNDS**

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

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	<b><u>Beginning Balance</u></b>	<b><u>Additions</u></b>	<b><u>Deductions</u></b>	<b><u>Ending Balance</u></b>
<b><u>STUDENT ACTIVITIES FUND</u></b>				
<u>Assets</u>				
Cash and investments	\$ <u>198,884</u>	\$ <u>265,077</u>	\$ <u>235,794</u>	\$ <u>228,167</u>
Total assets	\$ <u><u>198,884</u></u>	\$ <u><u>265,077</u></u>	\$ <u><u>235,794</u></u>	\$ <u><u>228,167</u></u>
<u>Liabilities</u>				
Due to student groups	\$ <u>198,884</u>	\$ <u>265,077</u>	\$ <u>235,794</u>	\$ <u>228,167</u>
Total liabilities	\$ <u><u>198,884</u></u>	\$ <u><u>265,077</u></u>	\$ <u><u>235,794</u></u>	\$ <u><u>228,167</u></u>

## 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 five percent in annual growth. The aggregate assessed value of all taxable properties within a taxing jurisdiction (i.e., after applying assessment ratios based on the use of a property), including property values with a growth limit, is currently referred to as net limited assessed value and formerly as primary assessed value. In accordance with Proposition 117, this value is used for all taxing purposes beginning fiscal year 2015-16. Aggregate assessed value without a growth limit is currently referred to as net full cash assessed value and formerly as secondary assessed value. This remains the value utilized for determining debt capacity limits.



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**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b> <b>(As Restated)</b>	<b><u>2015</u></b>
<b>Net Position:</b>					
Net investment in capital assets	\$ 89,872,546	\$ 98,482,098	\$ 106,426,708	\$ 108,943,728	\$ 111,473,166
Restricted	55,106,379	56,405,890	36,150,556	28,705,673	28,863,347
Unrestricted	<u>(106,742,723)</u>	<u>(117,505,906)</u>	<u>(104,166,424)</u>	<u>(92,436,793)</u>	<u>(92,651,215)</u>
Total net position	<u><u>\$ 38,236,202</u></u>	<u><u>\$ 37,382,082</u></u>	<u><u>\$ 38,410,840</u></u>	<u><u>\$ 45,212,608</u></u>	<u><u>\$ 47,685,298</u></u>
	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>
<b>Net Position:</b>					
Net investment in capital assets	\$ 114,206,682	\$ 117,106,859	\$ 116,598,703	\$ 120,170,099	\$ 117,577,633
Restricted	22,849,053	18,256,725	14,904,625	25,434,583	16,360,557
Unrestricted	<u>42,530,346</u>	<u>40,219,781</u>	<u>39,991,512</u>	<u>24,109,768</u>	<u>37,063,410</u>
Total net position	<u><u>\$ 179,586,081</u></u>	<u><u>\$ 175,583,365</u></u>	<u><u>\$ 171,494,840</u></u>	<u><u>\$ 169,714,450</u></u>	<u><u>\$ 171,001,600</u></u>

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

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
<b>Expenses</b>					
Instruction	\$ 95,095,674	\$ 88,041,606	\$ 93,265,995	\$ 82,271,525	\$ 84,344,746
Support services - students and staff	15,624,233	13,753,213	19,164,537	17,787,181	19,530,043
Support services - administration	15,699,409	14,031,266	12,767,901	11,814,132	12,744,530
Operation and maintenance of plant services	16,172,484	15,057,684	15,471,919	14,566,646	13,355,060
Student transportation services	9,148,432	8,139,676	8,099,841	7,147,466	8,650,420
Operation of non-instructional services	13,235,212	11,305,128	10,985,302	10,252,874	10,445,127
Interest on long-term debt	8,637,522	8,527,959	7,481,976	7,945,137	5,266,898
Total expenses	<u>173,612,966</u>	<u>158,856,532</u>	<u>167,237,471</u>	<u>151,784,961</u>	<u>154,336,824</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	2,509,115	2,662,304	2,563,576	2,669,654	2,220,714
Operation of non-instructional services	673,747	8,097,264	7,234,196	6,862,562	7,908,447
Other activities	13,157,225	3,982,375	3,972,469	3,952,249	2,718,150
Operating grants and contributions	13,580,735	11,187,969	10,367,665	10,087,362	10,897,019
Capital grants and contributions	119,173				
Total program revenues	<u>30,039,995</u>	<u>25,929,912</u>	<u>24,137,906</u>	<u>23,571,827</u>	<u>23,744,330</u>
<b>Net (Expense)/Revenue</b>	<u><u>\$ (143,572,971)</u></u>	<u><u>\$ (132,926,620)</u></u>	<u><u>\$ (143,099,565)</u></u>	<u><u>\$ (128,213,134)</u></u>	<u><u>\$ (130,592,494)</u></u>

(Continued)

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>Expenses</b>					
Instruction	\$ 82,030,946	\$ 79,578,214	\$ 84,161,237	\$ 81,321,836	\$ 82,012,893
Support services - students and staff	15,255,810	13,744,870	13,802,110	13,952,233	14,357,146
Support services - administration	10,824,855	10,744,152	11,021,728	10,354,397	11,227,344
Operation and maintenance of plant services	13,604,651	15,415,775	14,228,399	14,754,567	14,875,380
Student transportation services	8,034,589	7,724,844	8,026,873	7,154,741	6,728,599
Operation of non-instructional services	10,189,894	9,398,642	10,093,017	9,904,757	9,817,504
Interest on long-term debt	6,144,252	6,121,401	5,565,030	15,249,382	14,128,072
Total expenses	<u>146,084,997</u>	<u>142,727,898</u>	<u>146,898,394</u>	<u>152,691,913</u>	<u>153,146,938</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	2,657,161	1,577,531	903,242	5,524,962	5,518,636
Operation of non-instructional services	8,463,195	7,469,785	6,890,809	4,158,950	4,320,659
Other activities	1,604,568	2,213,596	2,950,481	603,412	708,837
Operating grants and contributions	10,118,955	10,448,125	13,614,415	11,560,945	10,869,456
Capital grants and contributions			889,360	47,465	74,597
Total program revenues	<u>22,843,879</u>	<u>21,709,037</u>	<u>25,248,307</u>	<u>21,895,734</u>	<u>21,492,185</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (123,241,118)</u>	<u>\$ (121,018,861)</u>	<u>\$ (121,650,087)</u>	<u>\$ (130,796,179)</u>	<u>\$ (131,654,753)</u>

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

**(Concluded)**

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
<b>Net (Expense)/Revenue</b>	\$ (143,572,971)	\$ (132,926,620)	\$ (143,099,565)	\$ (128,213,134)	\$ (130,592,494)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	48,402,729	46,766,250	46,546,960	41,579,462	44,177,896
Property taxes, levied for debt service	20,530,328	18,589,695	21,647,698	15,416,696	13,971,878
Property taxes, levied for capital outlay	6,873,298	6,737,208	7,589,029	7,511,148	7,381,938
Investment income	2,783,584	862,894	616,662	540,339	365,799
Unrestricted county aid	4,683,039	4,406,194	4,341,246	4,376,677	4,305,332
Unrestricted state aid	61,287,147	53,793,847	54,946,955	55,845,262	52,565,740
Unrestricted federal aid	801,814	719,884	609,247	470,860	426,271
Special Item - Gain on sale of assets					3,385,892
<b>Total general revenues</b>	<b><u>145,361,939</u></b>	<b><u>131,875,972</u></b>	<b><u>136,297,797</u></b>	<b><u>125,740,444</u></b>	<b><u>126,580,746</u></b>
<b>Changes in Net Position</b>	<b><u>\$ 1,788,968</u></b>	<b><u>\$ (1,050,648)</u></b>	<b><u>\$ (6,801,768)</u></b>	<b><u>\$ (2,472,690)</u></b>	<b><u>\$ (4,011,748)</u></b>

(Continued)

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<u><b>2014</b></u>	<u><b>2013</b></u>	<u><b>2012</b></u>	<u><b>2011</b></u>	<u><b>2010</b></u>
<b>Net (Expense)/Revenue</b>	\$ (123,241,118)	\$ (121,018,861)	\$ (121,650,087)	\$ (130,796,179)	\$ (131,654,753)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	41,745,333	47,826,175	45,678,790	45,099,372	40,830,154
Property taxes, levied for debt service	15,937,345	13,477,061	15,065,623	23,817,460	23,490,302
Property taxes, levied for capital outlay	8,528,086	7,118,860	8,036,971	5,016,171	10,210,997
Investment income	341,662	198,855	267,940	798,862	938,392
Unrestricted county aid	4,575,232	4,546,551	4,584,974	4,608,743	4,556,511
Unrestricted state aid	55,854,282	52,503,042	49,796,179	49,596,402	50,842,564
Unrestricted federal aid	261,894	242,139		572,019	6,999,827
<b>Total general revenues</b>	<u>127,243,834</u>	<u>125,912,683</u>	<u>123,430,477</u>	<u>129,509,029</u>	<u>137,868,747</u>
<b>Changes in Net Position</b>	<u>\$ 4,002,716</u>	<u>\$ 4,893,822</u>	<u>\$ 1,780,390</u>	<u>\$ (1,287,150)</u>	<u>\$ 6,213,994</u>

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

(Concluded)

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
General Fund:					
Nondisposable	\$ 1,450,147	\$ 300,593	\$ 1,340,670	\$ 292,838	\$ 1,258,311
Restricted	1,244,506	1,062,500	1,547,193	4,948,015	4,953,146
Unassigned	19,099,528	19,182,848	17,437,224	17,172,492	12,546,351
Total General Fund	<u>\$ 21,794,181</u>	<u>\$ 20,545,941</u>	<u>\$ 20,325,087</u>	<u>\$ 22,413,345</u>	<u>\$ 18,757,808</u>
All Other Governmental Funds:					
Nondisposable	\$	\$	\$ 11,103	\$ 11,103	\$ 14,843
Restricted	92,232,811	83,373,231	79,794,454	55,176,477	81,500,545
Unassigned	(410,376)	(533,342)			
Total all other governmental funds	<u>\$ 91,822,435</u>	<u>\$ 82,839,889</u>	<u>\$ 79,805,557</u>	<u>\$ 55,187,580</u>	<u>\$ 81,515,388</u>

(Continued)

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
General Fund:					
Nonspendable	\$ 261,235	\$ 591,938	\$ 706,604	\$ 527,331	\$
Unassigned	18,977,332	19,940,697	19,074,244	15,277,767	
Reserved					3,931,322
Unreserved					3,140,587
Total General Fund	<u>\$ 19,238,567</u>	<u>\$ 20,532,635</u>	<u>\$ 19,780,848</u>	<u>\$ 15,805,098</u>	<u>\$ 7,071,909</u>
All Other Governmental Funds:					
Nonspendable	\$ 39,265	\$ 117,024	\$ 63,338	\$ 63,458	\$
Restricted	63,638,865	22,275,315	17,655,265	14,060,812	
Unassigned	(113,397)		(2,398)	(120,596)	
Reserved					83,374
Unreserved, reported in:					
Special revenue funds					17,010,657
Capital projects funds					24,712,553
Debt service fund					1,804,249
Total all other governmental funds	<u>\$ 63,564,733</u>	<u>\$ 22,392,339</u>	<u>\$ 17,716,205</u>	<u>\$ 14,003,674</u>	<u>\$ 43,610,833</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)**



**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Federal sources:</b>					
Federal grants	\$ 8,394,384	\$ 5,626,976	\$ 6,116,228	\$ 5,573,267	\$ 6,268,603
National School Lunch Program	2,962,804	2,949,517	3,048,550	3,085,815	2,960,070
Total federal sources	<u>11,357,188</u>	<u>8,576,493</u>	<u>9,164,778</u>	<u>8,659,082</u>	<u>9,228,673</u>
<b>State sources:</b>					
State equalization assistance	52,759,114	45,895,173	47,972,153	48,929,863	45,893,602
State grants	1,643,021	1,708,598	650,240	618,425	638,634
School Facilities Board		1,144			
Other revenues	8,859,433	7,898,674	6,974,802	6,915,206	6,672,138
Total state sources	<u>63,261,568</u>	<u>55,503,589</u>	<u>55,597,195</u>	<u>56,463,494</u>	<u>53,204,374</u>
<b>Local sources:</b>					
Property taxes	76,102,294	72,333,374	75,810,064	66,275,827	65,723,617
County aid	4,683,039	4,406,194	4,341,246	4,376,677	4,305,332
Food service sales	3,074,877	2,764,486	2,300,419	2,511,753	2,695,415
Investment income	2,667,536	754,449	566,914	468,542	297,482
Other revenues	14,442,388	13,227,703	12,515,822	12,320,635	11,538,487
Total local sources	<u>100,970,134</u>	<u>93,486,206</u>	<u>95,534,465</u>	<u>85,953,434</u>	<u>84,560,333</u>
<b>Total revenues</b>	<u><u>\$ 175,588,890</u></u>	<u><u>\$ 157,566,288</u></u>	<u><u>\$ 160,296,438</u></u>	<u><u>\$ 151,076,010</u></u>	<u><u>\$ 146,993,380</u></u>

(Continued)

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u><b>2014</b></u>	<u><b>2013</b></u>	<u><b>2012</b></u>	<u><b>2011</b></u>	<u><b>2010</b></u>
<b>Federal sources:</b>					
Federal grants	\$ 6,010,715	\$ 6,066,833	\$ 6,982,224	\$ 7,161,069	\$ 6,589,487
State Fiscal Stabilization (ARRA)				572,019	6,999,827
Education Jobs			3,130,755		
National School Lunch Program	2,712,642	2,833,523	2,878,740	2,615,322	2,386,286
Total federal sources	<u>8,723,357</u>	<u>8,900,356</u>	<u>12,991,719</u>	<u>10,348,410</u>	<u>15,975,600</u>
<b>State sources:</b>					
State equalization assistance	49,161,855	47,125,634	44,869,225	45,447,749	49,501,254
State grants	414,272	295,618	258,263	298,141	516,584
School Facilities Board					
Other revenues	6,692,610	5,377,408	4,926,954	4,378,689	4,684,219
Total state sources	<u>56,268,737</u>	<u>52,798,660</u>	<u>50,054,442</u>	<u>50,124,579</u>	<u>54,702,057</u>
<b>Local sources:</b>					
Property taxes	66,048,091	66,326,114	70,345,369	74,442,668	72,102,382
County aid	4,575,232	4,546,551	4,584,974	4,608,743	4,556,511
Food service sales	2,875,837	2,906,863	3,334,657	3,496,813	3,681,319
Investment income	276,616	136,354	195,860	595,710	762,843
Other revenues	11,130,330	9,603,344	8,663,668	8,014,299	8,554,990
Total local sources	<u>84,906,106</u>	<u>83,519,226</u>	<u>87,124,528</u>	<u>91,158,233</u>	<u>89,658,045</u>
<b>Total revenues</b>	<u><u>\$ 149,898,200</u></u>	<u><u>\$ 145,218,242</u></u>	<u><u>\$ 150,170,689</u></u>	<u><u>\$ 151,631,222</u></u>	<u><u>\$ 160,335,702</u></u>

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

**(Concluded)**

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 81,509,745	\$ 75,068,795	\$ 74,067,931	\$ 66,525,650	\$ 68,292,959
Support services - students and staff	15,630,889	14,087,734	18,081,659	16,774,537	18,070,878
Support services - administration	13,330,441	12,556,856	11,304,525	10,799,543	11,235,605
Operation and maintenance of plant services	15,421,865	12,521,437	14,669,131	12,506,555	13,627,847
Student transportation services	5,616,762	5,649,980	5,687,131	5,305,440	6,687,002
Operation of non-instructional services	12,942,410	11,188,747	10,711,500	10,079,519	10,147,856
Capital outlay	30,162,750	23,800,573	26,618,338	32,835,034	32,539,600
Debt service -					
Interest and fiscal charges	9,255,572	8,976,586	8,289,676	8,427,790	5,405,348
Principal retirement	15,715,000	10,870,000	11,810,000	9,525,000	9,045,000
Bond issuance costs	357,734	420,528	650,705		669,929
Payment to refunded bond escrow agent					10,649,569
<b>Total expenditures</b>	<u><u>\$ 199,943,168</u></u>	<u><u>\$ 175,141,236</u></u>	<u><u>\$ 181,890,596</u></u>	<u><u>\$ 172,779,068</u></u>	<u><u>\$ 186,371,593</u></u>
Expenditures for capitalized assets	\$ 17,820,565	\$ 17,304,429	\$ 17,797,974	\$ 27,796,574	\$ 23,747,764
Debt service as a percentage of noncapital expenditures	14%	13%	12%	12%	15%

(Continued)

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 67,893,287	\$ 66,920,319	\$ 68,872,150	\$ 70,907,190	\$ 71,193,039
Support services - students and staff	14,275,754	13,013,233	12,622,359	13,388,092	13,777,270
Support services - administration	9,792,931	9,517,292	9,499,541	9,261,953	10,037,818
Operation and maintenance of plant services	12,917,394	14,806,679	13,495,107	12,918,845	14,021,360
Student transportation services	6,175,274	6,222,956	6,402,069	5,852,918	5,574,038
Operation of non-instructional services	9,871,316	9,232,963	9,862,327	9,685,496	9,680,571
Capital outlay	12,712,312	8,773,490	23,577,081	25,658,108	33,209,090
Debt service -					
Claims and judgments					
Interest and fiscal charges	6,282,702	6,461,001	13,120,020	15,283,685	14,138,044
Principal retirement	9,655,000	7,865,000	11,245,000	10,010,254	10,121,420
Bond issuance costs	492,682	39,950	142,015	245,000	
<b>Total expenditures</b>	<u><u>\$ 150,068,652</u></u>	<u><u>\$ 142,852,883</u></u>	<u><u>\$ 168,837,669</u></u>	<u><u>\$ 173,211,541</u></u>	<u><u>\$ 181,752,650</u></u>
Expenditures for capitalized assets	\$ 4,726,037	\$ 2,439,177	\$ 14,548,438	\$ 18,984,651	\$ 29,084,493
Debt service as a percentage of noncapital expenditures	11%	10%	16%	16%	16%

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

(Concluded)

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**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>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (24,354,278)	\$ (17,574,948)	\$ (21,594,158)	\$ (21,703,058)	\$ (39,378,213)
<b>Other financing sources (uses):</b>					
General obligation bonds issued	29,965,000		32,025,000		40,000,000
Refunding bonds issued		44,365,000	24,810,000		24,120,000
Premium on sale of bonds	3,354,609	7,117,642	6,625,870		3,986,478
Transfers in	1,507,317	1,323,142	695,722	505,623	2,174,792
Transfers out	(1,507,317)	(1,323,142)	(695,722)	(505,623)	(2,174,792)
Payment to refunded bond escrow agent		(29,611,620)	(20,537,623)		(16,371,855)
Proceeds from sale of capital assets	29,089				4,140,832
Insurance recoveries	86,812	10,292	152,798		
Total other financing sources (uses)	<u>33,435,510</u>	<u>21,881,314</u>	<u>43,076,045</u>		<u>55,875,455</u>
<b>Changes in fund balances</b>	<u>\$ 9,081,232</u>	<u>\$ 4,306,366</u>	<u>\$ 21,481,887</u>	<u>\$ (21,703,058)</u>	<u>\$ 16,497,242</u>
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (170,452)	\$ 2,365,359	\$ (18,666,980)	\$ (21,580,319)	\$ (21,416,948)
<b>Other financing sources (uses):</b>					
General obligation bonds issued	40,000,000	2,975,000		22,350,000	
Refunding bonds issued			43,030,000		
Premium on sale of bonds	457,240	148,542	5,718,309	269,331	
Transfers in	874,089	952,804	879,479	625,466	373,695
Transfers out	(874,089)	(952,804)	(879,479)	(625,466)	(373,695)
Payment to refunded bond escrow agent			(41,061,276)		
Total other financing sources (uses)	<u>40,457,240</u>	<u>3,123,542</u>	<u>7,687,033</u>	<u>22,619,331</u>	
<b>Changes in fund balances</b>	<u>\$ 40,286,788</u>	<u>\$ 5,488,901</u>	<u>\$ (10,979,947)</u>	<u>\$ 1,039,012</u>	<u>\$ (21,416,948)</u>

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

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**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>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Commercial, Industrial, Utilities and Mining	\$ 721,450,782	\$ 692,578,568	\$ 666,800,958	\$ 641,559,365	\$ 626,531,270
Agricultural and Vacant	21,759,054	23,572,455	23,625,878	26,253,614	28,158,482
Residential (Owner Occupied)	1,003,572,457	956,721,774	911,509,930	872,197,797	838,799,724
Residential (Rental)	309,111,930	282,811,579	262,783,880	241,555,102	215,135,669
Railroad, Private Cars and Airlines	662,453	735,739	751,319	848,264	914,047
Historical Property	10,934	8,995	8,995	8,995	8,995
Certain Government Property Improvements		7,815	32,164	30,633	84,122
Total	<u>\$ 2,056,567,610</u>	<u>\$ 1,956,436,925</u>	<u>\$ 1,865,513,124</u>	<u>\$ 1,782,453,770</u>	<u>\$ 1,709,632,309</u>
Gross Full Cash Value	\$ 23,468,465,997	\$ 22,385,244,072	\$ 21,576,815,867	\$ 19,737,374,822	\$ 15,890,974,368
Ratio of Net Limited Assessed Value to Gross Full Cash Value	9%	9%	9%	9%	11%
Total Direct Rate	3.97	3.97	4.38	4.01	4.03

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Commercial, Industrial, Utilities and Mining	\$ 640,507,039	\$ 731,499,569	\$ 822,373,241	\$ 1,030,386,534	\$ 1,017,161,203
Agricultural and Vacant	29,582,506	33,426,792	43,129,063	46,805,690	46,357,340
Residential (Owner Occupied)	780,061,637	873,654,286	1,006,438,721	1,154,407,771	1,255,199,155
Residential (Rental)	179,838,943	148,018,091	173,044,070	190,832,566	178,174,287
Railroad, Private Cars and Airlines	1,076,883	1,050,802	930,897	941,414	983,443
Historical Property	56,211	10,190	11,925	19,165	15,309
Certain Government Property Improvements	84,691	56,716	10,715		
Total	<u>\$ 1,631,207,910</u>	<u>\$ 1,787,716,446</u>	<u>\$ 2,045,938,632</u>	<u>\$ 2,423,393,140</u>	<u>\$ 2,497,890,737</u>
Gross Full Cash Value	\$ 15,055,100,341	\$ 15,954,370,358	\$ 18,575,028,097	\$ 21,684,199,876	\$ 24,607,576,458
Ratio of Net Limited Assessed Value to Gross Full Cash Value	11%	11%	11%	11%	10%
Total Direct Rate	4.28	6.06	3.71	3.20	2.91

**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 requirement and other voter-approved overrides.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**NET FULL CASH ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS**  
**LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Commercial, Industrial, Utilities and Mining	\$ 901,001,710	\$ 862,897,465	\$ 796,375,149	\$ 695,163,872	\$ 632,919,305
Agricultural and Vacant	30,913,456	33,799,190	33,166,138	33,215,133	29,286,377
Residential (Owner Occupied)	1,154,840,353	1,114,752,574	1,102,592,443	1,040,453,025	875,378,553
Residential (Rental)	413,466,721	375,244,678	343,106,025	308,509,302	240,907,417
Railroad, Private Cars and Airlines	807,870	865,575	807,870	865,575	923,280
Historical Property	18,335	12,310	12,310	12,310	12,310
Certain Government Property Improvements	-	8,807	37,234	33,297	84,122
Total	<u>\$ 2,501,048,445</u>	<u>\$ 2,387,580,599</u>	<u>\$ 2,276,097,169</u>	<u>\$ 2,078,252,514</u>	<u>\$ 1,779,511,364</u>
Gross Full Cash Value	\$ 23,468,465,997	\$ 22,385,244,072	\$ 21,576,815,867	\$ 19,737,374,822	\$ 15,890,974,368
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	11%	11%	11%	11%	11%
Estimated Net Full Cash Value	19,311,007,823	19,299,227,810	18,485,347,364	16,739,381,972	14,087,094,529
Total Direct Rate	3.97	3.97	4.38	4.01	4.03
<u>Class</u>	<u>Fiscal Year</u>				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Commercial, Industrial, Utilities and Mining	\$ 641,174,971	\$ 734,998,962	\$ 824,593,681	\$ 1,129,640,298	\$ 1,198,234,974
Agricultural and Vacant	30,403,095	33,998,556	46,286,831	57,846,261	66,183,282
Residential (Owner Occupied)	780,666,997	873,966,653	1,007,509,296	1,157,244,748	1,373,643,110
Residential (Rental)	184,528,176	148,043,518	173,284,118	198,497,341	219,043,287
Railroad, Private Cars and Airlines	1,087,199	1,071,064	1,040,293	1,126,249	1,162,727
Historical Property	196,342	10,190	11,925	42,283	21,635
Certain Government Property Improvements	84,691	56,716	10,732		
Total	<u>\$ 1,638,141,471</u>	<u>\$ 1,792,145,659</u>	<u>\$ 2,052,736,876</u>	<u>\$ 2,544,397,180</u>	<u>\$ 2,858,289,015</u>
Gross Full Cash Value	\$ 15,055,100,341	\$ 15,954,370,358	\$ 18,575,028,097	\$ 21,684,199,876	\$ 24,607,576,458
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	11%	11%	11%	12%	12%
Estimated Net Full Cash Value	12,605,725,763	13,614,086,584	15,611,707,575	18,750,068,016	21,120,857,810
Total Direct Rate	4.28	6.06	3.71	3.20	2.91

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

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

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**PROPERTY TAX ASSESSMENT RATIOS**  
**LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Commercial, Industrial, Utilities and Mining	18 %	18 %	18 %	19 %	19 %
Agricultural and Vacant	15	15	15	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	14	15	14	16	16

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Commercial, Industrial, Utilities and Mining	20 %	20 %	20 %	21 %	22 %
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	15	15	17	18

**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.



**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Overlapping Rates											District Direct Rates		
	State	County	County	Flood	Community	Fire	Central	City	City	City	Tempe	Primary	Secondary	Total
	Equalization		Free	Control	College	District	Arizona	of	of	of	Union High			
			Library	District	District	Assistance	Water	Phoenix	Tempe	Chandler	School District			
2019	0.47	1.40	0.06	0.18	1.38	0.01	0.14	2.14	2.42	1.14	2.64	2.05	1.91	3.97
2018	0.49	1.40	0.06	0.18	1.41	0.01	0.14	2.16	2.49	1.14	2.65	2.09	1.88	3.97
2017	0.50	1.40	0.06	0.18	1.47	0.01	0.14	2.17	2.53	1.16	2.90	2.24	2.14	4.38
2016	0.51	1.36	0.06	0.16	1.49	0.01	0.14	1.82	2.52	1.18	2.87	2.14	1.87	4.01
2015	0.51	1.32	0.06	0.14	1.28	0.01	0.14	0.60	2.44	1.18	3.06	2.25	1.78	4.03
2014	0.51	1.28	0.04	0.14	1.53	0.01	0.14	1.82	2.49	1.27	2.66	2.22	2.06	4.28
2013	0.47	1.24	0.05	0.18	1.37	0.01	0.10	1.82	2.14	1.27	2.57	4.27	1.79	6.06
2012	0.43	1.24	0.05	0.18	1.21	0.01	0.10	1.82	1.79	1.27	2.57	2.05	1.66	3.71
2011	0.36	1.05	0.04	0.15	0.97	0.01	0.10	1.82	1.40	1.18	2.30	1.53	1.67	3.20
2010	0.33	0.99	0.04	0.14	0.88	0.01	0.10	1.82	1.40	1.18	2.22	1.43	1.48	2.91

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

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

Taxpayer	2019			2010	
	Net Limited Assessed Valuation	Percentage of District's Net Limited Assessed Valuation		Net Full Cash Assessed Valuation	Percentage of District's Net Full Cash Assessed Valuation
Intel Corporation	\$ 49,173,710	2.39 %		\$ 31,155,350	1.09 %
TWC-Chandler LLC	20,649,924	1.00		34,013,639	1.19
DDRA Ahwatukee Foothills LLC	12,150,198	0.59		20,293,852	0.71
Honeywell International Inc	10,009,290	0.49		11,718,985	0.41
JPMorgan Chse Bank NA	9,077,392	0.44			
Target Corporation	8,754,312	0.43		10,004,012	0.35
San Sonoma Apartments LLC	8,183,300	0.40			
Realty Associates Fund X L P	7,006,545	0.34			
Qwest Corporation	6,057,027	0.29		12,004,814	0.42
GB Investments Inc	5,840,903	0.28			
Ikea Property Inc.				7,431,551	0.26
Tempe Marketplace Commerce Associates				7,431,551	0.26
Park at San Tan LLC				9,432,354	0.33
BRE Property Investros LLC				8,860,696	0.31
Total	<u>\$ 136,902,601</u>	<u>6.65 %</u>		<u>\$ 152,346,804</u>	<u>5.33 %</u>

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

**Notes:** 1) The information presented is for the Tempe metropolitan area. Kyrene Elementary School District also serves portions of the City of Chandler and City of Phoenix communities.

2) 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.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30</b>	<b>Taxes Levied for the Fiscal Year</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Fiscal Years</b>	<b>Collected to the End of the Current Fiscal Year</b>	
		<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2019	\$ 82,337,808	\$ 78,951,577	95.89 %	\$	\$ 78,951,577	95.89 %
2018	77,837,881	74,654,448	95.91		74,654,448	95.91
2017	81,918,314	78,427,558	95.74	3,467,028	81,894,586	99.97
2016	71,969,712	71,004,111	98.66	941,434	71,945,545	99.97
2015	70,501,784	67,643,277	95.95	2,840,558	70,483,835	99.97
2014	70,368,581	67,354,447	95.72	2,996,992	70,351,439	99.98
2013	70,472,026	67,381,446	95.61	3,086,692	70,468,138	99.99
2012	76,119,935	72,904,655	95.78	3,211,517	76,116,172	100.00
2011	80,472,545	77,824,096	96.71	2,080,129	79,904,225	99.29
2010	72,354,037	66,757,879	92.27	5,587,355	72,345,234	99.99

**Source:** The source of this information is the 2019 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.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	General Obligation Bonds						Total Outstanding Debt				
	General Obligation Bonds	Less:	Total	Percentage of	Per Capita	Capital Leases	Total	Percentage of	Per Capita	Percentage of Personal Income	
		Amounts		Estimated				Estimated			
		Restricted for Principal		Actual Value Full Cash Value)				Actual Value Full Cash Value)			
2019	\$ 248,438,112	\$ 32,124,476	\$ 216,313,636	0.92 %	\$ 1,273	\$	\$ 248,438,112	1.06 %	\$ 1,462	N/A %	
2018	227,556,071	34,071,017	193,485,054	0.86	1,158		227,556,071	1.02	1,362	1.08	
2017	209,734,818	12,842,513	196,892,305	0.91	1,274	42,780	209,777,598	0.97	1,357	1.07	
2016	181,858,123	1,881,715	179,976,408	0.91	1,187	83,932	181,942,055	0.92	1,200	0.98	
2015	191,828,888	3,274,923	188,553,965	1.19	1,213	123,517	191,952,405	1.21	1,235	1.14	
2014	156,020,000	2,300,914	153,719,086	1.02	854	161,596	156,181,596	1.04	868	0.93	
2013	123,885,000	808,411	123,076,589	0.77	684		123,885,000	0.78	688	0.84	
2012	143,400,000	1,155,432	142,244,568	0.77	790	51,026	143,451,026	0.77	797	0.97	
2011	137,260,000	1,928,320	135,331,680	0.62	752	99,524	137,359,524	0.63	763	0.92	
2010	126,697,394	2,354,177	124,343,217	0.51	691	50,255	126,747,649	0.52	704	0.89	

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

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

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
JUNE 30, 2019**

<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:			
Community College District	\$ 380,740,000	5.09 %	\$ 19,379,666
Special Health Care District	113,979,717	5.09	5,801,568
City of Chandler	301,665,000	20.92	63,108,318
City of Phoenix	1,149,785,000	6.80	78,185,380
City of Tempe	372,070,000	32.91	122,448,237
Tempe Union High School District No. 213	87,580,000	58.66	51,374,428
Subtotal, Overlapping Debt			<u>340,297,597</u>
Direct:			
Kyrene Elementary School District No. 28			<u>248,438,112</u>
Total Direct and Overlapping Governmental Activities Debt			<u>\$ 588,735,709</u>

**DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS**

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation	6.65	%
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 2,808	
As a Percentage of Net Limited Assessed Valuation	35.28	%
As a Percentage of Estimated Gross Full Cash Value	29.01	%

**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 the District's secondary assessed valuation as a percentage of the secondary assessed valuation of the overlapping jurisdiction.

2) Outstanding debt as of June 30, 2018 is presented for the overlapping governments as this is the most recent available information.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

**Class B Bond Legal Debt Margin Calculation for Fiscal Year 2019:**

Net full cash assessed valuation	\$ 2,501,048,445
Debt limit (10% of assessed value)	250,104,845
Debt applicable to limit	<u>47,414,878</u>
Legal debt margin	<u><u>\$ 202,689,967</u></u>

**Total Legal Debt Margin Calculation for Fiscal Year 2019:**

Net full cash assessed valuation	\$ 2,501,048,445
Debt limit (15% of assessed value)	375,157,267
Debt applicable to limit	<u>163,992,300</u>
Legal debt margin	<u><u>\$ 211,164,967</u></u>

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
Debt Limit	\$ 375,157,267	\$ 358,137,090	\$ 341,414,575	\$ 311,737,877	\$ 256,444,846
Total net debt applicable to limit	<u>163,992,300</u>	<u>168,944,807</u>	<u>206,275,870</u>	<u>176,750,000</u>	<u>185,795,000</u>
Legal debt margin	<u><u>\$ 211,164,967</u></u>	<u><u>\$ 189,192,283</u></u>	<u><u>\$ 135,138,705</u></u>	<u><u>\$ 134,987,877</u></u>	<u><u>\$ 70,649,846</u></u>
Total net debt applicable to the limit as a percentage of debt limit	44%	47%	60%	57%	72%
	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>
Debt Limit	\$ 245,721,221	\$ 268,821,849	\$ 307,910,531	\$ 381,659,577	\$ 428,743,352
Total net debt applicable to limit	<u>156,020,000</u>	<u>123,885,000</u>	<u>143,400,000</u>	<u>137,260,000</u>	<u>126,697,394</u>
Legal debt margin	<u><u>\$ 89,701,221</u></u>	<u><u>\$ 144,936,849</u></u>	<u><u>\$ 164,510,531</u></u>	<u><u>\$ 244,399,577</u></u>	<u><u>\$ 302,045,958</u></u>
Total net debt applicable to the limit as a percentage of debt limit	63%	46%	47%	36%	30%

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

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

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28  
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN CALENDAR YEARS**

<b>Year</b>	<b>Population</b>	<b>Personal Income (thousands)</b>	<b>Per Capita Income</b>	<b>Unemployment Rate</b>	<b>Estimated District Population</b>
2018	4,294,460	\$ 210,370,180	\$ 47,694	4.1 %	169,934
2017	4,221,684	196,286,194	45,573	4.2	167,135
2016	4,137,076	185,111,698	43,628	4.5	154,606
2015	4,076,438	168,483,421	41,222	5.5	151,606
2014	4,087,191	168,483,421	41,222	5.4	155,396
2013	4,009,412	147,700,000	27,552	6.2	180,000
2012	3,824,058	147,374,500	38,538	9.1	180,000
2011	3,843,370	148,593,801	38,411	8.2	180,000
2010	4,192,887	142,864,275	37,352	9.2	180,000
2009	4,379,634	142,091,618	35,319	8.5	180,000

**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 2009 through 2010 is the University of Arizona, Eller College of Management, Economic and Business Research Center. For 2011 through 2018, the source of the information is the Arizona Office of Employment and Population Statistics.

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**PRINCIPAL EMPLOYERS**  
**CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<b>Employer</b>	<b>2019</b>		<b>2010</b>	
	<b>Employees</b>	<b>Percentage of Total Employment</b>	<b>Employees</b>	<b>Percentage of Total Employment</b>
Banner Health Systems	26,460	1.27 %		
State of Arizona	23,950	1.16	52,420	2.70 %
Fry's Food Stores	14,830	0.72		
Wal-Mart Stores, Inc.	14,470	0.70		
Wells Fargo Company	13,850	0.67	3,636	8.26
Maricopa County	13,430	0.65		
City of Phoenix	12,060	0.58		
Intel Corp.	10,290	0.50		
JP Morgan Chase & Co.	10,070	0.49	2,377	5.40
Arizona State University	9,770	0.47	10,089	22.93
Motorola			4,779	10.86
SRP			3,331	7.57
Honeywell			3,000	6.82
Bank One Telephone Banking Division			2,000	4.55
US Airways			1,898	4.31
City of Tempe			1,565	3.56
Total	<u>149,180</u>	<u>7.22 %</u>	<u>85,095</u>	<u>76.96 %</u>
Total employment	<u>2,064,200</u>		<u>44,000</u>	

**Source:** The source of this county-wide information is the 2018 Arizona COG/MPO Employer Database and the Arizona Office of Economic Opportunity.

**Notes:** (1) The information presented above is County-wide.

(2) Data could only be obtained for nine principal employers for fiscal year 2010



**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE**  
**LAST TEN FISCAL YEARS**

<b>Full-time Equivalent Employees as of June 30</b>					
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
<b>Supervisory</b>					
Superintendents/Principals	28	28	28	28	28
Assistant principals	24	23	11	11	12
Total supervisory	<u>52</u>	<u>51</u>	<u>39</u>	<u>39</u>	<u>40</u>
<b>Instruction</b>					
Teachers	964	957	952	935	963
Other professionals (instructional)	261	236	216	200	195
Total instruction	<u>1,225</u>	<u>1,193</u>	<u>1,168</u>	<u>1,135</u>	<u>1,158</u>
<b>Student Services</b>					
Librarians	17	18	4	4	7
Nurses/Technicians	31	31	31	30	31
Total student services	<u>48</u>	<u>49</u>	<u>35</u>	<u>34</u>	<u>38</u>
<b>Support and Administration</b>					
Service workers	511	511	513	491	449
Other classified	26	24	66	59	61
Total support and administration	<u>537</u>	<u>535</u>	<u>579</u>	<u>550</u>	<u>510</u>
<b>Total</b>	<u><u>1,862</u></u>	<u><u>1,828</u></u>	<u><u>1,821</u></u>	<u><u>1,758</u></u>	<u><u>1,746</u></u>

(Continued)

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE  
LAST TEN FISCAL YEARS**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>Supervisory</b>					
Superintendents/Principals	28	28	27	28	28
Assistant principals	12	15	14	14	14
Total supervisory	<u>40</u>	<u>43</u>	<u>41</u>	<u>42</u>	<u>42</u>
<b>Instruction</b>					
Teachers	963	951	960	1,005	1,009
Other professionals (instructional)	195	195	183	181	174
Total instruction	<u>1,158</u>	<u>1,146</u>	<u>1,143</u>	<u>1,186</u>	<u>1,183</u>
<b>Student Services</b>					
Librarians	7	5	21	25	25
Nurses/Technicians	31	32	31	30	31
Total student services	<u>38</u>	<u>37</u>	<u>52</u>	<u>55</u>	<u>56</u>
<b>Support and Administration</b>					
Service workers	449	443	462	478	503
Other classified	61	58	32	33	20
Total support and administration	<u>510</u>	<u>501</u>	<u>494</u>	<u>511</u>	<u>523</u>
<b>Total</b>	<u>1,746</u>	<u>1,727</u>	<u>1,730</u>	<u>1,794</u>	<u>1,804</u>

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

(Concluded)

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**OPERATING STATISTICS**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30</b>	<b>Average Daily Membership</b>	<b>Operating Expenditures</b>	<b>Cost per Pupil</b>	<b>Percentage Change</b>	<b>Expenses</b>	<b>Cost per Pupil</b>	<b>Percentage Change</b>	<b>Teaching Staff</b>	<b>Pupil- Teacher Ratio</b>	<b>Percentage of Free/Reduced Students</b>
2019	16,015	\$ 144,452,112	\$ 9,020	9.85 %	\$ 173,612,966	\$ 10,841	8.93 %	964	16.6	28.8 %
2018	15,963	131,073,549	8,211	(1.65)	158,856,532	9,952	(4.12)	1,034	15.4	32.0
2017	16,113	134,521,877	8,349	12.92	167,237,471	10,379	12.82	915	17.6	31.0
2016	16,500	121,991,244	7,394	(5.30)	151,784,961	9,199	(2.24)	950	17.4	30.5
2015	16,402	128,062,147	7,808	5.53	154,336,824	9,410	5.28	954	17.2	31.0
2014	16,345	120,925,956	7,398	3.89	146,084,997	8,938	5.27	940	17.4	31.0
2013	16,811	119,713,442	7,121	(0.46)	142,727,898	8,490	(2.45)	943	17.8	28.5
2012	16,879	120,753,553	7,154	(1.20)	146,898,394	8,703	(3.96)	949	17.8	29.2
2011	16,850	122,014,494	7,241	(1.67)	152,691,913	9,062	(0.14)	990	17.0	26.9
2010	16,877	124,284,096	7,364	(2.75)	153,146,938	9,074	(2.93)	996	16.9	24.8

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

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

**KYRENE ELEMENTARY SCHOOL DISTRICT NO. 28**  
**CAPITAL ASSETS INFORMATION**  
**LAST TEN FISCAL YEARS**

	<b>Fiscal Year Ended June 30</b>									
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>
<b><u>Schools</u></b>										
<b>Elementary</b>										
Buildings	48	48	48	48	48	48	48	48	48	48
Square feet	1,470,730	1,470,730	1,470,378	1,470,378	1,470,378	1,470,378	1,470,378	1,470,378	1,470,378	1,470,378
Capacity	16,174	16,174	16,174	16,174	16,174	16,174	16,174	16,174	16,174	16,174
Enrollment	10,641	11,320	11,320	11,521	11,705	11,749	11,681			
<b>Middle</b>										
Buildings	48	46	46	46	46	46	46	46	46	46
Square feet	961,343	915,470	915,260	915,260	915,260	915,260	915,260	915,260	915,260	915,260
Capacity	8,945	7,125	7,125	7,125	7,125	7,125	7,125	7,125	7,125	7,125
Enrollment	6,042	5,977	5,977	6,096	6,145	6,117	6,442	6,521		
<b><u>Administrative</u></b>										
Buildings	3	3	3	3	3	3	3	3	3	3
Square feet	70,947	70,947	70,947	70,947	70,947	70,947	70,947	70,947	70,947	70,947
<b><u>Transportation</u></b>										
Garages	7	7	7	7	7	7	7	7	7	7
Buses	129	129	130							
<b><u>Athletics</u></b>										
Soccer fields	6	6	6	6	6	6	6	6	6	6
Running tracks	6	6	6	6	6	6	6	6	6	6
Baseball/softball	11/12	11/12	11/12	11/12	11/12	11/12	11/12	11/12	11/12	11/12
Playgrounds	29	29	29	29	29	29	29	29	29	29

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

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