

---

# Cave Creek Unified School District No. 93

---

## Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2023



**Cave Creek Unified School District No. 93**

**Cave Creek, Arizona**

**Annual Comprehensive Financial Report  
Fiscal Year Ended June 30, 2023**

Issued by:  
Business Services Department

## Cave Creek Unified School District No. 93

### Table of Contents

<b><u>Introductory Section</u></b>	<b><u>Page</u></b>
Letter of Transmittal	1
ASBO Certificate of Excellence	6
GFOA Certificate of Achievement	7
Organizational Chart	8
List of Principal Officials	9
<b><u>Financial Section</u></b>	
Independent Auditor's Report	13
Management's Discussion and Analysis (MD&A)	19
Basic Financial Statements	
Government-Wide Financial Statements:	
Statement of Net Position	32
Statement of Activities	33
Fund Financial Statements:	
Balance Sheet – Governmental Funds	36
Reconciliation of the Balance Sheet –	
Governmental Funds to the Statement of Net Position	39
Statement of Revenues, Expenditures and Changes in Fund Balances –	
Governmental Funds	40
Reconciliation of the Statement of Revenues, Expenditures and	
Changes in Fund Balances – Governmental Funds to the Statement of Activities	42
Notes to Financial Statements	43
Required Supplementary Information	
Schedule of Revenues Expenditures and Changes in Fund Balances – Budget and Actual:	
General Fund	66
Federal and State Grants Funds	67
Other Special Revenue Fund	68
Pension Schedules	70
Notes to Required Supplementary Information	72
Combining and Individual Fund Financial Statements and Schedules	
Governmental Funds:	
Combining Balance Sheet – All Non-Major Governmental Funds	78
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –	
All Non-Major Governmental Funds	80
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual:	
Classroom Site	82
Instructional Improvement	83
Food Service	84
Debt Service	85
Adjacent Ways	86
Other Capital Projects	87

## Cave Creek Unified School District No. 93

### Table of Contents

<u>Statistical Section</u>	<u>Page</u>
Financial Trends:	
Net Position by Component	91
Expenses, Program Revenues, and Net (Expense)/Revenue	92
General Revenues and Total Changes in Net Position	94
Fund Balances – Governmental Funds	96
Governmental Funds Revenues	98
Governmental Funds Expenditures and Debt Service Ratio	100
Other Financing Sources and Uses and Net Changes in Fund Balances – Governmental Funds	102
Revenue Capacity:	
Net Limited Assessed Value and Full Cash Value of Taxable Property by Class	103
Net Full Cash Assessed Value of Taxable Property by Class	104
Property Tax Assessment Ratios	105
Direct and Overlapping Property Tax Rates	106
Principal Property Taxpayers	107
Property Tax Levies and Collections	108
Debt Capacity:	
Outstanding Debt by Type	109
Direct and Overlapping Governmental Activities Debt	110
Direct and Overlapping General Bonded Debt Ratios	110
Legal Debt Margin Information	111
Demographic and Economic Information:	
County-Wide Demographic and Economic Statistics	112
Principal Employers	113
Operating Information:	
Full-Time Equivalent District Employees by Type	114
Operating Statistics	116
Capital Assets Information	117

(This page intentionally left blank)

## **Introductory Section**

(This page intentionally left blank)



**PO Box 426 \* Cave Creek, AZ 85327 480-575-  
2000 Phone \* 480-488-7055 Fax**  
[www.ccusd93.org](http://www.ccusd93.org)

December 20, 2023

Citizens and Governing Board  
Cave Creek Unified School District No. 93  
33016 North 60th Street  
Scottsdale, Arizona 85266

State law mandates that school districts required to undergo an annual single audit publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States by a certified public accounting firm licensed in the State of Arizona. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the Cave Creek Unified School District No. 93 (District) for the fiscal year ended June 30, 2023.

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, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2023, 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 Report.

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

### **Profile of the District**

The District is one of 58 public school districts located in Maricopa County, Arizona. It provides a program of public education from kindergarten through grade twelve, with an estimated current enrollment of 4,250 students. The District has five elementary schools, one middle school and one high school. Cactus Shadows High School is ranked one of the top 10 highest performing high schools in the state of Arizona. The District is a member district for the East Valley Institute of Technology, which offers a large range of hands on career and technical education for high school students.

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

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

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

The District, originally formed on July 1, 1984, by the unification of the Cave Creek Elementary School District No. 93 and the Cave Creek High School District No. 220, encompasses approximately 175 square miles and is situated in the northeastern portion of the County, northeast of the greater Phoenix metropolitan area. The towns of Carefree, Cave Creek and Rio Verde are located within the District. The northern portion of the City of Scottsdale and a small portion of the City of Phoenix overlap the District.

The area served by the District has experienced significant development over the past 20 years and is composed primarily of residential homes. The economy of the District is enhanced by a large tourism sector that is fueled primarily by a number of world-renowned golf resorts operating within the District's boundaries.

The majority of the commercial development in the area has been associated with residential development including services and retail shopping centers. The Cave Creek Unified School District is unique because it is the only K-12 school district in Maricopa County that does not have additional local voter supported funding from either Maintenance and Operations, Capital Outlay override, bond, or all three. In addition, it is important to note that CCUSD has the **lowest** combined tax rate of any unified school district in Maricopa County of \$1.63.

The District maintains budgetary controls as an integral part of its overall system of internal controls. The objective of these budgetary controls is to ensure compliance with legal provisions included in the annual expenditure budget adopted by the District's Governing Board. The annual expenditure budget also serves as the foundation for the District's financial planning and control. Activities of the general fund, special revenue funds, and capital projects funds are included in the annual appropriated budget. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is the total adopted expenditure budget. Arizona Revised Statutes permits the adopted expenditure budget to be revised annually. The District additionally exercises management control and oversight of the budget at the fund level. The District may have overexpenditures of budgeted funds 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.

### **Factors Affecting Financial Condition**

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

**Local Economy.** The Phoenix metropolitan area and the rest of Maricopa County continues to be one of the fastest growing regional markets in the United States. This growth has been stimulated by the combination of warm climate, a substantial well-educated labor pool, a wide range of support industries, and a governmental climate that is supportive of economic growth and investment.

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

Maricopa County is located in the south-central portion of Arizona and encompasses an area of approximately 9,226 square miles. Its boundaries encompass the cities of Phoenix, Scottsdale, Mesa, Tempe, Glendale, Chandler, and such towns as Gilbert, Paradise Valley and Fountain Hills. Maricopa County is currently the nation's fourth largest county in terms of population size and the 15th in land area. The County's 2020 population was estimated at 4,436,908 and is expected to reach over 5 million by 2029.

Service is the largest employment sector in the County, partly fueled by the tourism industry. The County has excellent accommodations, diverse cultural and recreational activities, and a favorable climate attracting millions to the area annually. Wholesale and retail trade is the second largest employment category.

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

**Long-term Financial Planning.** The Cave Creek Unified School District has experienced a decline in enrollment over the last few years while the net full cash assessed value has grown steadily since 2014. The growth in net full cash assessed value provided the ability for the District to have shorter than average maturities for bonds sold from voter authorized bond issues. With shorter maturities the District has been able to reduce the long-term bond interest cost to taxpayers while still maintaining the lowest tax rate among the unified school districts in Maricopa County. The District's goal is to be able to continue to provide funding needed to support future enrollment growth and still maintain a reasonable and stable tax rate.

The District has had substantial capital needs regarding the renovation of aging facilities, systems, and student transportation vehicles due to reduced capital funding from the state level and lack of local voter support of approving Capital Bonds. In November 2021, a voter-approved Capital Bond did not pass by 751 votes out of 22,336 ballots cast. This bond would have been a sustainable financial source until 2028-2030 to help fund technology for students, health and safety upgrades for our schools, and facility improvements to our schools for our students, athletic facility improvements and meet transportation needs.

In November 2022, voters were asked to approve a Maintenance and Operations Override which would have significantly increased teacher and staff pay, this measure failed by more than 6,000 votes out of 42,749 ballots cast.

The District's goal is to make necessary budget reductions to maintain the long-range financial stability of the district, provide quality mandated programs for students to fulfill high school graduation requirements, and employ adequate staff to execute those programs.

## Awards And Acknowledgments

**Awards.** The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2022. This was the 26th consecutive year that the District has received this prestigious award. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2022. In order to be awarded these certificates, the District published an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

These certificates are valid for a period of one year only. We believe that our current annual comprehensive 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, 2023.


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

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

Respectfully submitted,



Bill Dolezal  
Interim Superintendent



Marcie Rodriguez  
Chief Financial Officer



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

## **Cave Creek Unified School District 93**

**for its Annual Comprehensive Financial Report  
for the Fiscal Year Ended June 30, 2022.**

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



A handwritten signature in black ink, reading 'John W. Hutchison'. The signature is written in a cursive style and is positioned above a horizontal line.

**John W. Hutchison  
President**

A handwritten signature in black ink, reading 'Siobhán McMahon'. The signature is written in a cursive style and is positioned above a horizontal line.

**Siobhán McMahon, CAE  
Chief Operations Officer/  
Interim Executive Director**



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Cave Creek Unified School District No. 93  
Arizona**

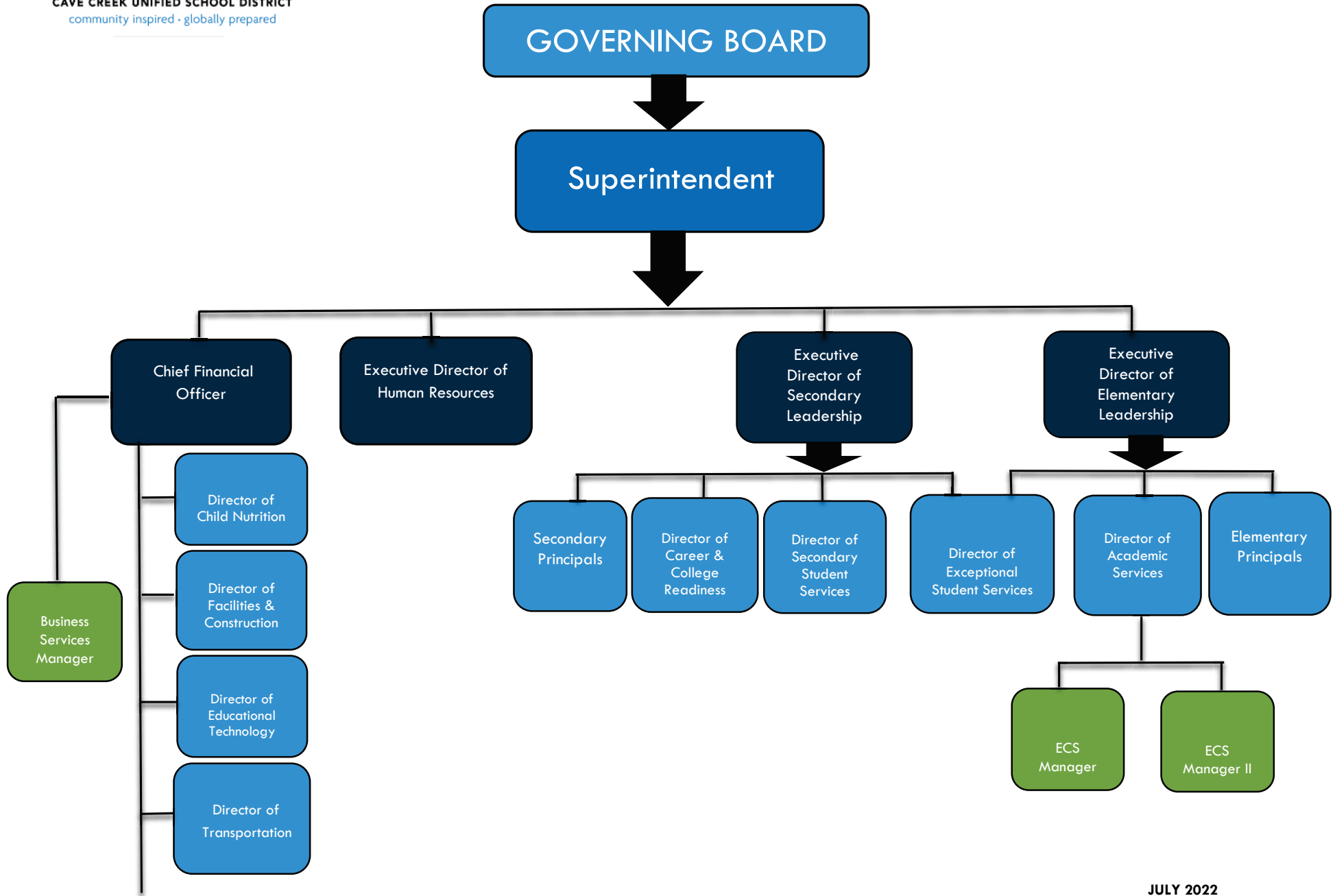
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morill*

Executive Director/CEO

**ORGANIZATIONAL CHART 2022-2023**



**JULY 2022**

**Cave Creek Unified School District No. 93**

**List of Principal Officials**

**Governing Board**

Janet Busbee, President

Scott Brown, Vice President

Brianna Walker, Member

Jeff Fortney, Member

Jackie Ulmer, Member

**Administrative Staff**

Marcie Rodriguez, Chief Financial Officer/Acting Superintendent

Dr. Patty Jensen, Executive Director of Elementary Leadership

Nancy Scott, Executive Director of Secondary Leadership

Dr. Frank Hendricsen, Executive Director of Human Resources



(This page intentionally left blank)

**Financial Section**

(This page intentionally left blank)

## Independent Auditor's Report

Governing Board  
Cave Creek Unified School District No. 93

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

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Cave Creek Unified School District No. 93 (District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Cave Creek Unified School District No. 93, as of June 30, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Cave Creek Unified School District No. 93 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in Note 1, the District implemented the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, for the year ended June 30, 2023, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

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

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

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

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

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

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

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

### ***Other Matters***

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

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

### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Combining and Individual Fund Financial Statements and Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining and Individual Fund Financial Statements and Schedules information is fairly stated in all material respects in relation to the basic financial statements as a whole.

### *Other Information*

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2023, on our consideration of Cave Creek Unified School District No. 93's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Cave Creek Unified School District No. 93'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 Cave Creek Unified School District No. 93's internal control over financial reporting and compliance.

*Heinfeld Meech & Co. PC*

Heinfeld, Meech & Co., P.C.  
Scottsdale, Arizona  
December 20, 2023

(This page intentionally left blank)

**Management's Discussion and Analysis (MD&A)**  
**(Required Supplementary Information)**



(This page intentionally left blank)

**Cave Creek Unified School District No. 93**  
**Management's Discussion and Analysis (MD&A)**  
**Year Ended June 30, 2023**

As management of the Cave Creek Unified School District No. 93 (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, 2023. 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 \$7.7 million which represents a 11 percent increase from the prior fiscal year due to a decrease in deferred inflows of resources as a result of current year changes in estimates and payments related to the District's proportionate share of the state's pension plan's unfunded liability.
- General revenues accounted for \$45.1 million in revenue, or 74 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$15.8 million or 26 percent of total current fiscal year revenues.
- The District had approximately \$53.2 million in expenses related to governmental activities, an increase of three percent from the prior fiscal year.
- Among major funds, the General Fund had \$37.8 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$33.8 million in expenditures. The General Fund's fund balance increased from \$8.8 million at the prior fiscal year end, to \$12.5 million at the end of the current fiscal year.

**Overview of Financial Statements**

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

**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.

**Cave Creek Unified School District No. 93**  
**Management's Discussion and Analysis (MD&A)**  
**Year Ended June 30, 2023**

**Overview of Financial Statements**

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

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

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

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

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

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

**Cave Creek Unified School District No. 93**  
**Management's Discussion and Analysis (MD&A)**  
**Year Ended June 30, 2023**

**Overview of Financial Statements**

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

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

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget process and pension plan. The District adopts an annual expenditure budget for all governmental funds. A schedule of revenues, expenditures and changes in fund balances – budget and actual has been provided for the General Fund and major Special Revenue Funds as required supplementary information. Schedules for the pension plan have also 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 \$78.7 million at the current fiscal year end.

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

**Cave Creek Unified School District No. 93  
Management's Discussion and Analysis (MD&A)  
Year Ended June 30, 2023**

**Government-Wide Financial Analysis**

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2023 and June 30, 2022.

	As of June 30, 2023	As of June 30, 2022
Current and other assets	\$ 32,486,109	\$ 26,288,882
Capital assets, net	119,369,390	122,145,610
Total assets	<u>151,855,499</u>	<u>148,434,492</u>
 Deferred outflows	 <u>5,100,666</u>	 <u>7,617,412</u>
 Current and other liabilities	 3,543,230	 2,923,833
Long-term liabilities	<u>68,615,688</u>	<u>69,666,646</u>
Total liabilities	<u>72,158,918</u>	<u>72,590,479</u>
 Deferred inflows	 <u>6,128,298</u>	 <u>                    </u>
 Net position:		
Net investment in capital assets	85,024,199	84,033,437
Restricted	12,547,407	11,932,181
Unrestricted	<u>(18,902,657)</u>	<u>(25,025,029)</u>
Total net position	<u>\$ 78,668,949</u>	<u>\$ 70,940,589</u>

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

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

- The principal retirement of \$2.6 million of bonds.
- The increase of \$2.7 million in pension liabilities due to current year changes in estimates and payments related to the District's proportionate share of the state's pension plan's unfunded liability.

**Cave Creek Unified School District No. 93**  
**Management's Discussion and Analysis (MD&A)**  
**Year Ended June 30, 2023**

**Government-Wide Financial Analysis**

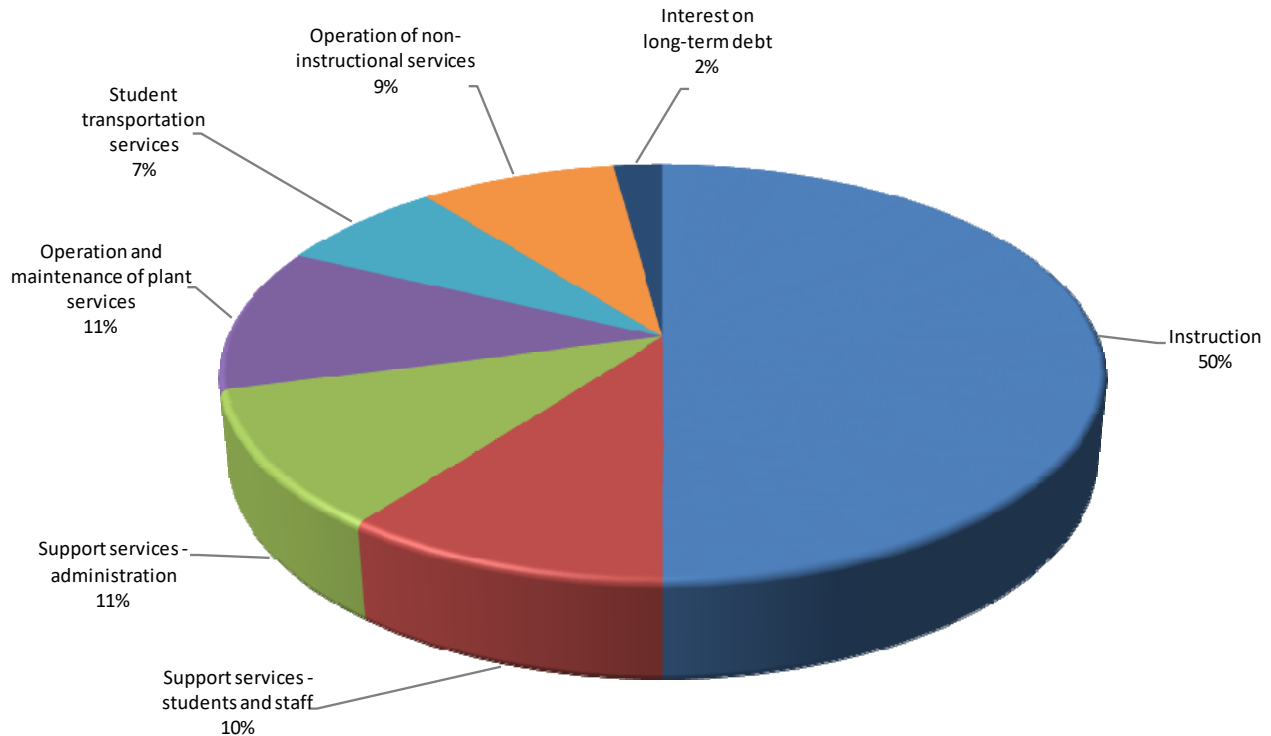
**Changes in net position.** The District's total revenues for the current fiscal year were \$60.9 million. The total cost of all programs and services was \$53.2 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2023 and June 30, 2022.

	Fiscal Year Ended June 30, 2023	Fiscal Year Ended June 30, 2022
<b>Revenues:</b>		
Program revenues:		
Charges for services	\$ 5,932,244	\$ 4,704,649
Operating grants and contributions	7,601,179	7,181,506
Capital grants and contributions	2,276,271	867,170
General revenues:		
Property taxes	30,965,463	28,746,919
Investment income	327,423	135,472
Unrestricted state aid	13,466,846	12,549,417
Unrestricted federal aid	346,685	327,094
<b>Total revenues</b>	<u>60,916,111</u>	<u>54,512,227</u>
<b>Expenses:</b>		
Instruction	26,588,570	26,726,528
Support services - students and staff	5,489,240	4,939,842
Support services - administration	5,667,093	5,655,938
Operation and maintenance of plant services	5,929,943	5,504,221
Student transportation services	3,877,763	3,755,338
Operation of non-instructional services	4,516,855	3,757,754
Interest on long-term debt	1,118,287	1,346,816
<b>Total expenses</b>	<u>53,187,751</u>	<u>51,686,437</u>
<b>Changes in net position</b>	7,728,360	2,825,790
<b>Net position, beginning</b>	<u>70,940,589</u>	<u>68,114,799</u>
<b>Net position, ending</b>	<u>\$ 78,668,949</u>	<u>\$ 70,940,589</u>

**Cave Creek Unified School District No. 93  
Management's Discussion and Analysis (MD&A)  
Year Ended June 30, 2023**

**Government-Wide Financial Analysis**

**Expenses - Fiscal Year 2023**



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

- An increase of \$2.2 million in property tax revenues primarily due to an increase in the net assessed valuation of taxable property within the District arising from an increase in the funding formula as a result of an increase in budget capacity.
- An increase of \$1.4 million in capital grants and contributions primarily due to an increase in federal funding from COVID-19 grants.
- An increase of \$1.2 million in charges for services primarily as a result of an increase in local food service revenues due to the federal government funding all school meals in the prior fiscal year and the District not charging students.

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.

**Cave Creek Unified School District No. 93  
Management's Discussion and Analysis (MD&A)  
Year Ended June 30, 2023**

**Government-Wide Financial Analysis**

	Year Ended June 30, 2023		Year Ended June 30, 2022	
	Total Expenses	Net (Expense)/ Revenue	Total Expenses	Net (Expense)/ Revenue
Instruction	\$ 26,588,570	\$ (19,369,852)	\$ 26,726,528	\$ (21,123,506)
Support services - students and staff	5,489,240	(4,781,892)	4,939,842	(4,240,192)
Support services - administration	5,667,093	(5,647,805)	5,655,938	(5,629,530)
Operation and maintenance of plant services	5,929,943	(3,982,872)	5,504,221	(4,497,199)
Student transportation services	3,877,763	(3,862,554)	3,755,338	(3,742,486)
Operation of non-instructional services	4,516,855	1,335,620	3,757,754	1,549,143
Interest on long-term debt	1,118,287	(1,068,702)	1,346,816	(1,249,342)
Total	<u>\$ 53,187,751</u>	<u>\$ (37,378,057)</u>	<u>\$ 51,686,437</u>	<u>\$ (38,933,112)</u>

- The cost of all governmental activities this year was \$53.2 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$15.8 million.
- Net cost of governmental activities of \$37.4 million was financed by general revenues, which are made up of primarily property taxes of \$31.0 million and state aid of \$13.5 million. Investment earnings accounted for \$327,423 of funding.

**Financial Analysis of the District's Funds**

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

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$20.2 million, an increase of \$5.0 million due primarily to an increase in property tax revenues and an increase in state aid and grants as a result of an increase in state equalization funding and an increase in funding from the School Facilities Board.



**Cave Creek Unified School District No. 93**  
**Management's Discussion and Analysis (MD&A)**  
**Year Ended June 30, 2023**

**Financial Analysis of the District's Funds**

The General Fund comprises 62 percent of the total fund balance. Approximately \$12.4 million, or 99 percent of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District. Fund balance increased \$3.7 million to \$12.5 million at the end of the current fiscal year primarily due to an increase in property tax revenues and state aid and grants.

Fund balance in the Federal and State Grants Fund decreased \$545,209 primarily as a result of the timing of federal grant payments received.

Fund balance of the Other Special Revenue Fund increased \$1.4 million primarily as a result of unexpended revenues in the Community School fund to be used for preschool programs and academic and skill development for the community.

Fund balance of the Debt Service Fund increased \$16,704. Significant changes in fund balance for this fund are not typical as property taxes are levied to the extent needed to make debt retirement payments.

**Budgetary Highlights**

Over the course of the year, the District revised the General Fund annual expenditure budget for changes in student enrollment, anticipated costs, and budget capacity. The difference between the original budget and the final amended budget was a \$922,344 increase due to an increase in the budget balance carryforward.

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

- The favorable variance of \$887,655 in support services – students and staff expenditures was a result of qualifying expenditures for salaries, wages, and related benefits being funded with ESSER III in the Federal and State Grants Fund, rather than the General Fund.
- The favorable variance of \$844,470 in instruction expenditures was a result of vacancy savings and lower than anticipated expenditures for salaries and wages.

**Cave Creek Unified School District No. 93  
Management’s Discussion and Analysis (MD&A)  
Year Ended June 30, 2023**

**Capital Assets and Debt Administration**

**Capital Assets.** At year end, the District had invested \$201.7 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 \$2.1 million from the prior fiscal year, primarily due to various improvements to school sites. Total depreciation expense for the current fiscal year was \$5.3 million.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2023 and June 30, 2022.

	As of June 30, 2023	As of June 30, 2022
Capital assets - non-depreciable	\$ 18,790,359	\$ 18,690,761
Capital assets - depreciable, net	100,579,031	103,454,849
Total	\$ 119,369,390	\$ 122,145,610

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

**Debt Administration.** At year-end, the District had \$34.3 million in long-term debt outstanding, \$3.7 million due within one year. Long-term debt decreased by \$3.8 million as a result of repayments of principal during the year.

The District’s general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 30 percent of the total net full cash assessed valuation) and the statutory debt limit on Class B bonds (the greater of 20 percent of the net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$854.2 million and the Class B debt limit is \$569.5 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 through 11.

**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 2023-24 budget. Among them:

- Fiscal year 2022-23 budget balance carry forward of \$859,234.
- District student population (estimated 4,375).

**Cave Creek Unified School District No. 93**  
**Management's Discussion and Analysis (MD&A)**  
**Year Ended June 30, 2023**

**Economic Factors and Next Year's Budget and Rates**

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

Budgeted expenditures in the General Fund increased four percent from the fiscal year 2022-23 revised budget to \$36.1 million in the fiscal year 2023-24 adopted budget. Continued increases to salaries, wages, and related benefits is the primary reason for the increase. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2023-24 budget.

**Contacting the District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business Services Department, Cave Creek Unified School District No. 93, 33016 North 60th Street, Scottsdale, Arizona 85266.

## **Basic Financial Statements**

(This page intentionally left blank)

**Government-Wide Financial Statements**

**Cave Creek Unified School District No. 93**  
**Statement of Net Position**  
**June 30, 2023**

	<b>Governmental Activities</b>
<b>Assets</b>	
Current assets:	
Cash and investments	\$ 23,788,632
Deposits	49,924
Property taxes receivable	482,739
Due from governmental entities	6,138,300
Inventory	87,607
Leases receivable	1,938,907
Total current assets	32,486,109
Noncurrent assets:	
Capital assets not being depreciated	18,790,359
Capital assets, net accumulated depreciation	100,579,031
Total noncurrent assets	119,369,390
<b>Total assets</b>	<b>151,855,499</b>
 <b>Deferred outflows of resources</b>	
Pension plan items	5,100,666
<b>Total deferred outflows of resources</b>	<b>5,100,666</b>
 <b>Liabilities</b>	
Current liabilities:	
Accounts payable	1,030,357
Accrued payroll and employee benefits	2,029,496
Unearned revenues	34,301
Compensated absences payable	189,400
Financed purchases payable	1,005,588
Bonds payable	2,700,000
Accrued interest payable	449,076
Total current liabilities	7,438,218
Noncurrent liabilities:	
Non-current portion of long-term obligations	64,720,700
Total noncurrent liabilities	64,720,700
<b>Total liabilities</b>	<b>72,158,918</b>
 <b>Deferred inflows of resources</b>	
Pension plan items	4,176,754
Leases	1,951,544
<b>Total deferred inflows of resources</b>	<b>6,128,298</b>
 <b>Net position</b>	
Net investment in capital assets	85,024,199
Restricted for:	
Instruction	7,913,242
Food service	1,625,203
Non-instructional purposes	2,825,326
Debt service	183,636
Unrestricted	(18,902,657)
<b>Total net position</b>	<b>\$ 78,668,949</b>

**Cave Creek Unified School District No. 93**  
**Statement of Activities**  
**For the Year Ended June 30, 2023**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenue</b>			<b>Net (Expense)</b>
		<b>Charges for</b>	<b>Operating Grants</b>		<b>Capital Grants</b>
			<b>Services</b>	<b>and</b>	
			<b>Contributions</b>	<b>Contributions</b>	<b>Revenue and</b>
					<b>Changes in Net</b>
					<b>Position</b>
					<b>Governmental</b>
					<b>Activities</b>
<b>Governmental activities</b>					
Instruction	\$ 26,588,570	\$ 2,102,189	\$ 3,782,967	\$ 1,333,562	\$ (19,369,852)
Support services - students and staff	5,489,240		707,348		(4,781,892)
Support services - administration	5,667,093		19,288		(5,647,805)
Operation and maintenance of plant services	5,929,943	348,587	655,775	942,709	(3,982,872)
Student transportation services	3,877,763		15,209		(3,862,554)
Operation of non-instructional services	4,516,855	3,481,468	2,371,007		1,335,620
Interest on long-term debt	1,118,287		49,585		(1,068,702)
<b>Total governmental activities</b>	<u>\$ 53,187,751</u>	<u>\$ 5,932,244</u>	<u>\$ 7,601,179</u>	<u>\$ 2,276,271</u>	<u>(37,378,057)</u>
<b>General revenues</b>					
Property taxes					30,965,463
Investment income					327,423
Unrestricted state aid					13,466,846
Unrestricted federal aid					346,685
<b>Total general revenues</b>					<u>45,106,417</u>
<b>Changes in net position</b>					7,728,360
<b>Net position, beginning of year</b>					<u>70,940,589</u>
<b>Net position, end of year</b>					<u>\$ 78,668,949</u>



(This page intentionally left blank)

## **Fund Financial Statements**

**Cave Creek Unified School District No. 93**

**Balance Sheet  
Governmental Funds  
June 30, 2023**

	<u>General</u>	<u>Federal and State Grants</u>	<u>Other Special Revenue</u>	<u>Debt Service</u>
<b>Assets</b>				
Cash and investments	\$ 8,640,169	\$	\$ 6,820,164	\$ 3,278,631
Deposits				
Property taxes receivable	428,658			54,081
Due from governmental entities	1,781,098	3,582,541	158,589	
Due from other funds	3,510,497			
Inventory	66,718			
Leases receivable	1,938,907			
<b>Total assets</b>	<u>\$ 16,366,047</u>	<u>\$ 3,582,541</u>	<u>\$ 6,978,753</u>	<u>\$ 3,332,712</u>
<b>Liabilities</b>				
Accounts payable	\$ 260,118	\$ 141,985	\$ 246,717	\$
Due to other funds		2,645,082		
Accrued payroll and employee benefits	1,545,042	190,982	117,797	
Unearned revenues		34,301		
Bonds payable				2,700,000
Bond interest payable				449,076
<b>Total liabilities</b>	<u>1,805,160</u>	<u>3,012,350</u>	<u>364,514</u>	<u>3,149,076</u>
<b>Deferred inflows of resources</b>				
Unavailable revenues - property taxes	133,904			15,772
Unavailable revenues - intergovernmental		3,575,029		
Leases	1,951,544			
<b>Total deferred inflows of resources</b>	<u>2,085,448</u>	<u>3,575,029</u>		<u>15,772</u>
<b>Fund balances</b>				
Nonspendable	66,718			
Restricted			6,614,239	167,864
Unassigned	12,408,721	(3,004,838)		
<b>Total fund balances</b>	<u>12,475,439</u>	<u>(3,004,838)</u>	<u>6,614,239</u>	<u>167,864</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 16,366,047</u>	<u>\$ 3,582,541</u>	<u>\$ 6,978,753</u>	<u>\$ 3,332,712</u>

<b>Non-Major Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 5,049,668	\$ 23,788,632
49,924	49,924
	482,739
616,072	6,138,300
	3,510,497
20,889	87,607
	1,938,907
<u>\$ 5,736,553</u>	<u>\$ 35,996,606</u>

\$ 381,537	\$ 1,030,357
865,415	3,510,497
175,675	2,029,496
	34,301
	2,700,000
	449,076
<u>1,422,627</u>	<u>9,753,727</u>

	149,676
324,323	3,899,352
	1,951,544
<u>324,323</u>	<u>6,000,572</u>

20,889	87,607
5,158,452	11,940,555
<u>(1,189,738)</u>	<u>8,214,145</u>
<u>3,989,603</u>	<u>20,242,307</u>

<u>\$ 5,736,553</u>	<u>\$ 35,996,606</u>
---------------------	----------------------

(This page intentionally left blank)

**Cave Creek Unified School District No. 93**  
**Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position**  
**June 30, 2023**

**Total fund balances - governmental funds** **\$ 20,242,307**

Amounts reported for governmental activities in the Statement of Net Position are different because:

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

Governmental capital assets	\$ 201,696,790	
Less accumulated depreciation/amortization	<u>(82,327,400)</u>	
		119,369,390

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

Property taxes	149,676	
Intergovernmental	<u>3,899,352</u>	
		4,049,028

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

Deferred outflows of resources related to pensions	5,100,666	
Deferred inflows of resources related to pensions	<u>(4,176,754)</u>	
		923,912

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

Compensated absences payable	(760,977)	
Financed purchases payable	(9,045,626)	
Bonds payable	(22,599,565)	
Net pension liability	<u>(33,509,520)</u>	
		<u>(65,915,688)</u>

**Net position of governmental activities** **\$ 78,668,949**

**Cave Creek Unified School District No. 93**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2023**

	General	Federal and State Grants	Other Special Revenue	Debt Service
<b>Revenues</b>				
Other local	\$ 1,095,141	\$ 4,515	\$ 4,659,913	\$ 34,464
Property taxes	27,298,640			3,583,840
State aid and grants	9,067,899	877,530		
Federal aid, grants and reimbursements	346,685	5,646,744		
<b>Total revenues</b>	<u>37,808,365</u>	<u>6,528,789</u>	<u>4,659,913</u>	<u>3,618,304</u>
<b>Expenditures</b>				
Current:				
Instruction	16,091,869	2,108,295	886,190	
Support services - students and staff	3,917,347	1,380,317	94,233	
Support services - administration	4,920,667	123,576	204,162	
Operation and maintenance of plant services	4,631,895	404,816	271,534	
Student transportation services	3,016,498	72,271	16,127	
Operation of non-instructional services	186,629	1,746,982	929,281	
Capital outlay	1,034,574	1,120,016	884,897	
Debt service:				
Principal retirement				2,700,000
Interest and fiscal charges				901,600
<b>Total expenditures</b>	<u>33,799,479</u>	<u>6,956,273</u>	<u>3,286,424</u>	<u>3,601,600</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>4,008,886</u>	<u>(427,484)</u>	<u>1,373,489</u>	<u>16,704</u>
<b>Other financing sources (uses)</b>				
Transfers in	227,003			
Transfers out	(580,330)	(117,725)		
Insurance recoveries				
<b>Total other financing sources (uses)</b>	<u>(353,327)</u>	<u>(117,725)</u>		
<b>Changes in fund balances</b>	<u>3,655,559</u>	<u>(545,209)</u>	<u>1,373,489</u>	<u>16,704</u>
<b>Fund balances, beginning of year</b>	<u>8,819,880</u>	<u>(2,459,629)</u>	<u>5,240,750</u>	<u>151,160</u>
<b>Fund balances, end of year</b>	<u>\$ 12,475,439</u>	<u>\$ (3,004,838)</u>	<u>\$ 6,614,239</u>	<u>\$ 167,864</u>

<b>Non-Major Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 1,502,924	\$ 7,296,957
1	30,882,481
5,341,656	15,287,085
<u>854,921</u>	<u>6,848,350</u>
<u>7,699,502</u>	<u>60,314,873</u>
3,054,222	22,140,576
222,755	5,614,652
2,026	5,250,431
49,455	5,357,700
	3,104,896
1,537,349	4,400,241
1,540,390	4,579,877
960,515	3,660,515
<u>334,572</u>	<u>1,236,172</u>
<u>7,701,284</u>	<u>55,345,060</u>
<u>(1,782)</u>	<u>4,969,813</u>
580,330	807,333
(109,278)	(807,333)
<u>54,171</u>	<u>54,171</u>
<u>525,223</u>	<u>54,171</u>
<u>523,441</u>	<u>5,023,984</u>
<u>3,466,162</u>	<u>15,218,323</u>
<u>\$ 3,989,603</u>	<u>\$ 20,242,307</u>



**Cave Creek Unified School District No. 93**  
**Reconciliation of the Statement of Revenues, Expenditures and**  
**Changes in Fund Balances of Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2023**

**Changes in fund balances - total governmental funds** **\$ 5,023,984**

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

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

Expenditures for capitalized assets	\$ 2,560,903	
Less current year depreciation/amortization	<u>(5,337,123)</u>	(2,776,220)

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

Property taxes	82,982	
Intergovernmental	<u>464,085</u>	547,067

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.

Financed purchase principal retirement	960,515	
Bond principal retirement	<u>2,700,000</u>	3,660,515

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

Current year pension contributions	3,152,003	
Pension expense	<u>(1,971,541)</u>	1,180,462

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.

Deferred bond items on issuance of refunding debt	(78,582)	
Amortization of deferred bond items	196,467	
Compensated absences	<u>(25,333)</u>	<u>92,552</u>

**Changes in net position in governmental activities** **\$ 7,728,360**

**Cave Creek Unified School District No. 93**  
**Notes to Financial Statements**  
**June 30, 2023**

**Note 1 – Summary of Significant Accounting Policies**

The financial statements of the Cave Creek Unified School District No. 93 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

During the year ended June 30, 2023, the District implemented the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*. This Statement increases the usefulness of the financial statements by requiring the recognition of certain assets and liabilities for SBITAs. This Statement also requires a government to disclose essential information about the arrangement. The District's analysis of SBITAs in effect at the beginning of the year resulted in no changes to beginning balances reported in the financial statements due to the implementation of this standard.

In addition, during the year the District consolidated individual reporting funds that were presented separately in the prior year financial statements. The consolidated funds include the Federal and State Grants Fund, Other Special Revenue Fund, and Other Capital Projects Fund.

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

**A. Reporting Entity**

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

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

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

The financial reporting entity consists of a primary government and its component units. A component unit is a legally separate entity that must be included in the reporting entity in conformity with generally accepted accounting principles. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments.

**Cave Creek Unified School District No. 93**  
**Notes to Financial Statements**  
**June 30, 2023**

**Note 1 – Summary of Significant Accounting Policies**

Furthermore, there are no component units combined with the District for financial statement presentation purpose, and the District is not included in any other governmental reporting entity. The District's major operations include education, student transportation, construction and maintenance of District facilities, food services, bookstore, athletic functions, and community education functions.

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

The government-wide financial statements (i.e., the statement of net position and the statement of activities) present financial information about the District as a whole. The reported information includes all of the nonfiduciary activities of the District. For the most part, the effect of internal activity has been removed from these statements. These statements are to distinguish between the governmental and business-type activities of the District.

Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District does not have any business-type activities or fiduciary activities.

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

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

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

**Cave Creek Unified School District No. 93**  
**Notes to Financial Statements**  
**June 30, 2023**

**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. Capital asset acquisitions are reported as expenditures in governmental funds. Issuances of long-term debt and acquisitions under lease contracts and subscription-based information technology arrangements are reported as other financing sources.

Property taxes, additional state 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. Community education fees, food services and miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash. Grants and similar awards are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. Unearned revenues arise when resources are received by the District before it has legal claim to them, as when grant monies are received prior to meeting all eligibility requirements imposed by the provider.

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

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

The District reports the following major governmental funds:

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

**Cave Creek Unified School District No. 93**  
**Notes to Financial Statements**  
**June 30, 2023**

**Note 1 – Summary of Significant Accounting Policies**

Federal and State Grants Fund – The Federal and State Grants fund accounts for financial assistance received for federal and state grants and projects.

Other Special Revenue Fund – The Other Special Revenue fund accounts for the revenues and expenditures of other special revenue activities, including the following: civic center, community school, extracurricular activities fees tax credit, and student activities.

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.

**D. Cash and Investments**

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

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

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

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

**Cave Creek Unified School District No. 93**  
**Notes to Financial Statements**  
**June 30, 2023**

**Note 1 – Summary of Significant Accounting Policies**

**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 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.

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**

Food service inventories are valued at cost using the first-in/first-out method. All other inventories are valued using the average cost method. Inventories consist of expendable supplies held for consumption. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

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.

**Cave Creek Unified School District No. 93**  
**Notes to Financial Statements**  
**June 30, 2023**

**Note 1 – Summary of Significant Accounting Policies**

**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. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**J. Capital Assets**

Capital assets, which include land and improvements; buildings and improvements; vehicles, furniture, equipment; construction in progress; and intangible right-to-use assets, 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.

Capital assets are depreciated using the straight-line method over the estimated useful life of the asset. Intangible right-to-use assets are amortized over the shorter of the lease/subscription term or the underlying asset's useful life. The estimated useful lives and amortization periods are as follows:

Land improvements	7 - 25 years
Buildings and improvements	7 - 50 years
Vehicles, furniture and equipment	5 - 15 years

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

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

**Cave Creek Unified School District No. 93**  
**Notes to Financial Statements**  
**June 30, 2023**

**Note 1 – Summary of Significant Accounting Policies**

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

**L. Compensated Absences**

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

**M. Leases**

As lessor, the District recognizes all lease receivables. If there is no stated rate in the lease contract (or if the stated rate is not the rate the District charges the lessee) and the implicit rate cannot be determined, the District uses an interest rate based on the Applicable Federal Rate as the discount rate to measure lease receivables.

**N. Pensions**

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

**O. Long-term Obligations**

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



**Cave Creek Unified School District No. 93**  
**Notes to Financial Statements**  
**June 30, 2023**

**Note 1 – Summary of Significant Accounting Policies**

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.

**P. Interfund Activity**

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

**Q. Net Position Flow Assumption**

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

**R. Estimates**

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

**Note 2 – Fund Balance Classifications**

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

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

**Cave Creek Unified School District No. 93**  
**Notes to Financial Statements**  
**June 30, 2023**

**Note 2 – Fund Balance Classifications**

***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, and 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 Board delegated the authority and responsibility to assign fund balances to the Chief Financial Officer.

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

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

**Cave Creek Unified School District No. 93**  
**Notes to Financial Statements**  
**June 30, 2023**

**Note 2 – Fund Balance Classifications**

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

	General	Federal and State Grants	Other Special Revenue	Debt Service	Non-Major Governmental Funds
Fund Balances:					
Nonspendable:					
Inventory	\$ 66,718	\$	\$	\$	\$ 20,889
Restricted:					
Debt service				167,864	
Capital projects					
Voter approved initiatives					3,554,138
Food service					1,604,314
Civic center			563,314		
Community schools			2,200,129		
Extracurricular activities			1,037,173		
Gifts and donations			571,651		
Career technical education			1,759,392		
Student activities			336,523		
Other purposes			146,057		
Unassigned	<u>12,408,721</u>	<u>(3,004,838)</u>			<u>(1,189,615)</u>
Total fund balances	<u>\$ 12,475,439</u>	<u>\$ (3,004,838)</u>	<u>\$ 6,614,239</u>	<u>\$ 167,864</u>	<u>\$ 3,989,726</u>

**Note 3 – Stewardship, Compliance and Accountability**

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

	Deficit
Major Fund:	
Federal and State Grants Fund	\$ (3,004,838)
Non-Major Governmental Funds:	
Other Capital Projects	(1,189,615)
Adjacent Ways	(123)

The deficits arose because of operations during the current year and the prior year, in addition to the timing of grant reimbursements and/or because of pending grant reimbursements. Additional revenues received in fiscal year 2023-24 are expected to eliminate the deficits.

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

**Cave Creek Unified School District No. 93**  
**Notes to Financial Statements**  
**June 30, 2023**

**Note 4 – Cash and Investments**

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of bank failure the District’s deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District’s deposits was \$1,624,404 and the bank balance was \$2,551,411. At year end, \$1,551,411 of the District’s deposits were covered by collateral held by the pledging financial institution’s trust department or agent but not in the District’s name.

*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:

	Average	Fair Value
County Treasurer’s investment pool	469 days	\$ 22,164,228

*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.

**Cave Creek Unified School District No. 93**  
**Notes to Financial Statements**  
**June 30, 2023**

**Note 5 – Receivables**

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

	General	Federal and State Grants	Other Special Revenue	Non-Major Governmental Funds
Due from other governmental entities:				
Due from federal government	\$	\$ 3,561,056	\$	\$
Due from state government	1,781,098	21,485		616,072
Due from other districts			158,589	
Net due from governmental entities	<u>\$ 1,781,098</u>	<u>\$ 3,582,541</u>	<u>\$ 158,589</u>	<u>\$ 616,072</u>

**Note 6 – Leases Receivable**

The District acts as a lessor for several cell tower agreements under the provisions of contracts classified as leases. The related receivables under the lease agreements have been recorded at the present value of their future minimum lease payments as of the inception date. Lease revenue of \$83,221 and related interest revenue of \$4,730 are recorded as other local revenue in the General Fund.

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

Year Ending June 30:	
2024	\$ 81,440
2025	82,503
2026	86,155
2027	137,278
2028	88,429
2029-33	480,661
2034-38	349,825
2039-43	351,931
2044-48	256,250
2049-50	82,458
Total	<u>\$ 1,996,930</u>

**Cave Creek Unified School District No. 93**  
**Notes to Financial Statements**  
**June 30, 2023**

**Note 7 – Capital Assets**

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

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 18,690,761	\$	\$	\$ 18,690,761
Construction in progress		99,598		99,598
Total capital assets, not being depreciated	<u>18,690,761</u>	<u>99,598</u>		<u>18,790,359</u>
Capital assets, being depreciated:				
Land improvements	18,789,712	288,397		19,078,109
Buildings and improvements	152,451,562	1,862,262		154,313,824
Vehicles, furniture and equipment	<u>9,667,031</u>	<u>310,646</u>	<u>463,179</u>	<u>9,514,498</u>
Total capital assets being depreciated	<u>180,908,305</u>	<u>2,461,305</u>	<u>463,179</u>	<u>182,906,431</u>
Less accumulated depreciation for:				
Land improvements	(10,962,488)	(723,544)		(11,686,032)
Buildings and improvements	(61,071,773)	(4,094,559)		(65,166,332)
Vehicles, furniture and equipment	<u>(5,419,195)</u>	<u>(519,020)</u>	<u>(463,179)</u>	<u>(5,475,036)</u>
Total accumulated depreciation	<u>(77,453,456)</u>	<u>(5,337,123)</u>	<u>(463,179)</u>	<u>(82,327,400)</u>
Total capital assets, being depreciated, net	<u>103,454,849</u>	<u>(2,875,818)</u>		<u>100,579,031</u>
Governmental activities capital assets, net	<u>\$ 122,145,610</u>	<u>\$ (2,776,220)</u>	<u>\$</u>	<u>\$ 119,369,390</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 4,151,928
Support services – students and staff	2,737
Support services – administration	155,777
Operation and maintenance of plant services	476,453
Student transportation services	437,854
Operation of non-instructional services	<u>112,374</u>
Total depreciation expense – governmental activities	<u>\$ 5,337,123</u>

**Construction Commitments** - At year end, the District had contractual commitments related to a capital project for culinary classroom renovations. At year end, the District had spent \$99,598 on the project and had estimated remaining contractual commitments of \$139,313. This project is being funded with monies from the Other Special Revenue fund.

**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 \$4.0 million in unused line of credit.

**Cave Creek Unified School District No. 93**  
**Notes to Financial Statements**  
**June 30, 2023**

**Note 9 – Financed Purchases Payable**

The District has acquired energy efficiency upgrades under the provisions of contracts classified as financed purchases payables. Revenues from the General Fund are transferred to the Other Capital Projects Fund to pay the energy efficiency upgrade debt obligations when due. In addition, the District receives a federal interest subsidy to fund the interest payments for the District-wide energy project.

Annual debt service requirements to maturity on financed purchases payable at year end are summarized as follows:

Year ending June 30:	Governmental Activities	
	Principal	Interest
2024	\$ 1,005,588	\$ 253,953
2025	1,052,950	213,626
2026	1,102,649	171,536
2027	619,029	134,183
2028	574,899	118,963
2029-33	2,677,759	386,779
2034-38	2,012,752	92,786
Total	\$ 9,045,626	\$ 1,371,826

**Note 10 – General Obligation Bonds Payable**

Bonds payable at year end, consisted of the following outstanding general obligation bonds. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt. The District's legal debt limit is \$854.2 million, and the available margin is \$829.6 million.

Purpose	Original Amount Issued	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2023	Due Within One Year
<b>Governmental activities:</b>					
School Improvement Bonds, Project 2014, Series A (Class B 2015)	\$ 20,000,000	2.5-4.0%	7/1/23-30	\$ 16,550,000	\$ 475,000
Refunding Bonds, (Class B 2015)	11,125,000	2.0-5.25%	7/1/2023	1,700,000	1,700,000
School Improvement Bonds, Project 2014, Series B 2016	10,000,000	2.0-3.5%	7/1/23-30	6,345,000	525,000
Total				\$ 24,595,000	\$ 2,700,000

**Cave Creek Unified School District No. 93**  
**Notes to Financial Statements**  
**June 30, 2023**

**Note 10 – 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
2024	\$ 2,700,000	\$ 839,714
2025	2,830,000	742,676
2026	2,905,000	654,901
2027	3,000,000	549,751
2028	3,115,000	435,626
2029-33	10,045,000	569,014
Total	\$ 24,595,000	\$ 3,791,682

**Note 11 – 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	\$ 27,205,000	\$	\$ 2,610,000	\$ 24,595,000	\$ 2,700,000
Premium	901,032		196,467	704,565	
Total bonds payable	28,106,032		2,806,467	25,299,565	2,700,000
Financed purchases payable	10,006,141		960,515	9,045,626	1,005,588
Net pension liability	30,818,829	2,690,691		33,509,520	
Compensated absences payable	735,644	376,733	351,400	760,977	189,400
Total long-term liabilities	\$ 69,666,646	\$ 3,067,424	\$ 4,118,382	\$ 68,615,688	\$ 3,894,988



**Cave Creek Unified School District No. 93**  
**Notes to Financial Statements**  
**June 30, 2023**

**Note 12 – Interfund Receivables, Payables, and Transfers**

At year end, interfund balances were as follows:

**Due to/from other funds:**

	General
Federal and State Grants	\$ 2,645,082
Non-Major Governmental Funds	865,415
Total Due from Other Funds	\$ 3,510,497

At year end, several funds had negative cash balances in the Treasurer’s pooled cash accounts. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with the General Fund. All interfund balances are expected to be paid within one year.

**Interfund transfers:**

	Transfers in		
	Non-Major		
	Governmental		
Transfers out	General	Funds	Total
General	\$	\$ 580,330	\$ 580,330
Federal and State Grants	117,725		117,725
Non-Major Governmental Funds	109,278		109,278
Total	\$ 227,003	\$ 580,330	\$ 807,333

Transfers of \$807,333 between funds were used to (1) move federal grant funds restricted for indirect costs, and (2) move funds to pay energy efficiency upgrade debt payments.

**Note 13 – 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.

**Cave Creek Unified School District No. 93**  
**Notes to Financial Statements**  
**June 30, 2023**

**Note 14 – Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District 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's employees have health and accident insurance coverage with the Arizona School Board Association Insurance Trust (ASBAIT). ASBAIT is a public entity risk pool currently operating as a common risk management and insurance program for school districts in the State. The District pays a monthly premium to ASBAIT for employees' health and accident insurance coverage. The agreement provides that ASBAIT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts.

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

**Note 15 – Pensions**

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

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

**Cave Creek Unified School District No. 93**  
**Notes to Financial Statements**  
**June 30, 2023**

**Note 15 – Pensions**

**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.

**Contributions.** In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.17 percent (12.03 percent for retirement and 0.14 percent for long-term disability) of the members’ annual covered payroll, and the District was required by statute to contribute at the actuarially determined rate of 12.17 percent (11.92 percent for retirement, 0.11 percent for health insurance premium benefit, and 0.14 percent for long-term disability) of the active members’ annual covered payroll. The District’s contributions to the pension plan for the year ended June 30, 2023 were \$3,152,003.

**Cave Creek Unified School District No. 93**  
**Notes to Financial Statements**  
**June 30, 2023**

**Note 15 – Pensions**

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 9.68 percent (9.62 for retirement and 0.06 percent for long-term disability). ACR contributions are included in employer contributions presented above.

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

**Pension Liability.** The net pension liability was measured as of June 30, 2022. The total liability used to calculate the net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2021, to the measurement date of June 30, 2022. The District’s proportion of the net liability was based on the District’s actual contributions to the applicable plan relative to the total of all participating employers’ contributions to the plan for the year ended June 30, 2022.

At June 30, 2023, the District reported the following amounts for its proportionate share of the pension plan net liability. In addition, at June 30, 2022, the District’s percentage proportion for the plan and the related change from its proportion measured as of June 30, 2021 was:

Net Liability	District % Proportion	Increase (Decrease)
\$ 33,509,520	0.205	(0.029)

**Pension Expense and Deferred Outflows/Inflows of Resources.** The District has deferred outflows and inflows of resources related to the net pension liability. Certain changes in the net pension liability are recognized as pension expense over a period of time rather than the year of occurrence. The District’s pension expense for the year ended June 30, 2023 was \$1,971,541.

**Cave Creek Unified School District No. 93**  
**Notes to Financial Statements**  
**June 30, 2023**

**Note 15 – Pensions**

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 285,521	\$
Changes of assumptions or other inputs	1,663,142	
Net difference between projected and actual earnings on pension investments		882,673
Changes in proportion and differences between contributions and proportionate share of contributions		3,294,081
Contributions subsequent to the measurement date	3,152,003	
Total	\$ 5,100,666	\$ 4,176,754

The amounts of deferred outflows of resources resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as an adjustment of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:		
2024	\$	(308,374)
2025		(1,799,949)
2026		(1,532,528)
2027		1,412,760

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

Actuarial valuation date	June 30, 2021
Actuarial roll forward date	June 30, 2022
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Inflation	2.3%
Projected salary increases	2.9-8.4%
Permanent base increases	Included
Mortality rates	2017 SRA Scale U-MP

**Cave Creek Unified School District No. 93**  
**Notes to Financial Statements**  
**June 30, 2023**

**Note 15 – Pensions**

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2020. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2020, actuarial valuation.

The long-term expected rate of return on ASRS plan investments was determined to be 7.0 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, excluding any expected inflation.

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

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Equity	50%	3.90%
Credit	20	5.30
Interest rate sensitive bonds	10	(0.20)
Real estate	20	6.00
Total	100%	

**Discount Rate.** The discount rate used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board’s funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Cave Creek Unified School District No. 93**  
**Notes to Financial Statements**  
**June 30, 2023**

**Note 15 – Pensions**

**Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.** The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Rate	6.0%	7.0%	8.0%
Net liability	\$ 49,442,300	\$ 33,509,520	\$ 20,224,070

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

**Required Supplementary Information**



**Cave Creek Unified School District No. 93**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**General**  
**For the Year Ended June 30, 2023**

	<u>Budget</u>		<u>Non-GAAP Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Other local	\$	\$	\$ 217,440	\$ 217,440
Property taxes			26,731,143	26,731,143
State aid and grants			9,067,899	9,067,899
<b>Total revenues</b>			<u>36,016,482</u>	<u>36,016,482</u>
<b>Expenditures</b>				
Current:				
Instruction	17,122,349	16,698,831	15,854,361	844,470
Support services - students and staff	4,363,155	4,824,926	3,937,271	887,655
Support services - administration	4,564,619	4,867,790	4,791,668	76,122
Operation and maintenance of plant services	5,143,997	5,330,746	4,622,354	708,392
Student transportation services	2,700,382	3,094,985	2,965,282	129,703
Operation of non-instructional services	70,998	70,566	159,940	(89,374)
<b>Total expenditures</b>	<u>33,965,500</u>	<u>34,887,844</u>	<u>32,330,876</u>	<u>2,556,968</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(33,965,500)</u>	<u>(34,887,844)</u>	<u>3,685,606</u>	<u>38,573,450</u>
<b>Other financing sources (uses)</b>				
Transfers out			(580,330)	(580,330)
<b>Total other financing sources (uses)</b>			<u>(580,330)</u>	<u>(580,330)</u>
<b>Changes in fund balances</b>	<u>(33,965,500)</u>	<u>(34,887,844)</u>	<u>3,105,276</u>	<u>37,993,120</u>
<b>Fund balances, beginning of year</b>			<u>3,275,102</u>	<u>3,275,102</u>
<b>Fund balances, end of year</b>	<u>\$ (33,965,500)</u>	<u>\$ (34,887,844)</u>	<u>\$ 6,380,378</u>	<u>\$ 41,268,222</u>

**Cave Creek Unified School District No. 93**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**Federal and State Grants**  
**For the Year Ended June 30, 2023**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Other local	\$	\$	\$ 4,515	\$ 4,515
State aid and grants			877,530	877,530
Federal aid, grants and reimbursements			5,646,744	5,646,744
<b>Total revenues</b>			<u>6,528,789</u>	<u>6,528,789</u>
<b>Expenditures</b>				
Current:				
Instruction	1,855,168	2,476,263	2,108,295	367,968
Support services - students and staff	1,214,593	1,621,228	1,380,317	240,911
Support services - administration	108,739	145,144	123,576	21,568
Operation and maintenance of plant services	356,213	475,470	404,816	70,654
Student transportation services	63,594	84,885	72,271	12,614
Operation of non-instructional services	1,537,235	2,051,888	1,746,982	304,906
Capital outlay	985,544	1,315,496	1,120,016	195,480
<b>Total expenditures</b>	<u>6,121,085</u>	<u>8,170,374</u>	<u>6,956,273</u>	<u>1,214,101</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(6,121,085)</u>	<u>(8,170,374)</u>	<u>(427,484)</u>	<u>7,742,890</u>
<b>Other financing sources (uses)</b>				
Transfers out			(117,725)	(117,725)
<b>Total other financing sources (uses)</b>			<u>(117,725)</u>	<u>(117,725)</u>
<b>Changes in fund balances</b>	<u>(6,121,085)</u>	<u>(8,170,374)</u>	<u>(545,209)</u>	<u>7,625,165</u>
<b>Fund balances, beginning of year</b>			<u>(2,459,629)</u>	<u>(2,459,629)</u>
<b>Fund balances, end of year</b>	<u>\$ (6,121,085)</u>	<u>\$ (8,170,374)</u>	<u>\$ (3,004,838)</u>	<u>\$ 5,165,536</u>

**Cave Creek Unified School District No. 93**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**Other Special Revenue**  
**For the Year Ended June 30, 2023**

	<u>Budget</u>		<b>Variance with Final Budget</b>
	<u>Original and Final</u>	<u>Actual</u>	
<b>Revenues</b>			
Other local	\$	\$ 4,659,913	\$ 4,659,913
<b>Total revenues</b>		<u>4,659,913</u>	<u>4,659,913</u>
<b>Expenditures</b>			
Current:			
Instruction	1,070,565	886,190	184,375
Support services - students and staff	113,838	94,233	19,605
Support services - administration	246,639	204,162	42,477
Operation and maintenance of plant services	328,028	271,534	56,494
Student transportation services	19,482	16,127	3,355
Operation of non-instructional services	1,122,621	929,281	193,340
Capital outlay	<u>1,069,003</u>	<u>884,897</u>	<u>184,106</u>
<b>Total expenditures</b>	<u>3,970,175</u>	<u>3,286,424</u>	<u>683,751</u>
<b>Changes in fund balances</b>	<u>(3,970,175)</u>	<u>1,373,489</u>	<u>5,343,664</u>
<b>Fund balances, beginning of year</b>		<u>5,240,750</u>	<u>5,240,750</u>
<b>Fund balances, end of year</b>	<u>\$ (3,970,175)</u>	<u>\$ 6,614,239</u>	<u>\$ 10,584,414</u>

(This page intentionally left blank)

**Cave Creek Unified School District No. 93**  
**Schedule of the Proportionate Share of the Net Pension Liability**  
**Arizona State Retirement System**  
**Last Nine Fiscal Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Measurement date	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019
District's proportion of the net pension (assets) liability	0.21%	0.23%	0.24%	0.24%
District's proportionate share of the net pension (assets) liability	\$ 33,509,520	\$ 30,818,829	\$ 41,866,070	\$ 34,775,826
District's covered payroll	\$ 24,446,928	\$ 26,833,279	\$ 26,324,175	\$ 25,162,871
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	137.07%	114.85%	159.04%	138.20%
Plan fiduciary net position as a percentage of the total pension liability	74.26%	78.58%	69.33%	73.24%

**Schedule of Pension Contributions**  
**Arizona State Retirement System**  
**Last Nine Fiscal Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Actuarially determined contribution	\$ 3,152,003	\$ 2,936,076	\$ 3,126,077	\$ 3,014,118
Contributions in relation to the actuarially determined contribution	<u>3,152,003</u>	<u>2,936,076</u>	<u>3,126,077</u>	<u>3,014,118</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 26,442,978	\$ 24,446,928	\$ 26,833,279	\$ 26,324,175
Contributions as a percentage of covered payroll	11.92%	12.01%	11.65%	11.45%

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

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
0.24%	0.24%	0.25%	0.25%	0.26%
\$ 33,205,176	\$ 37,406,015	\$ 39,666,519	\$ 38,951,705	\$ 38,568,533
\$ 23,703,211	\$ 23,390,983	\$ 22,969,917	\$ 23,004,747	\$ 23,412,224
140.09%	159.92%	172.69%	169.32%	164.74%
73.40%	69.92%	67.06%	68.35%	69.49%

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 2,813,209	\$ 2,583,650	\$ 2,521,548	\$ 2,492,236	\$ 2,505,108
<u>2,813,209</u>	<u>2,583,650</u>	<u>2,521,548</u>	<u>2,492,236</u>	<u>2,505,108</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
\$ 25,162,871	\$ 23,703,211	\$ 23,390,983	\$ 22,969,917	\$ 23,004,747
11.18%	10.90%	10.78%	10.85%	10.89%

**Cave Creek Unified School District No. 93**  
**Notes to Required Supplementary Information**  
**June 30, 2023**

**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.
- Employee insurance and unemployment insurance expenditures are budgeted in the year funded.

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

	<u>Total</u>	<u>Fund</u>
	<u>Expenditures</u>	<u>Balances</u>
		<u>End of Year</u>
Statement of Revenues, Expenditures and Changes in		
Fund Balances - Governmental Funds	\$ 33,799,479	\$ 12,475,439
Activity budgeted as special revenue funds	(1,256,308)	(2,704,174)
Activity budgeted as capital projects funds	(746,827)	(1,494,511)
Unemployment insurance fund		(689,537)
Employee insurance account	534,532	(1,206,839)
Schedule of Revenue, Expenditures and Changes in		
Fund Balances – Budget and Actual - General Fund	\$ 32,330,876	\$ 6,380,378

**Note 2 – Pension 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, 2021, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2020. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2020, actuarial valuation.

**Combining and Individual  
Fund Financial Statements  
and Schedules**



(This page intentionally left blank)

## **Governmental Funds**

## **Non-Major Governmental Funds**

### **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.

**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.

### **Capital Projects Funds**

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

**Other Capital Projects Funds** – to account for the revenues and expenditures of other capital projects activities, including the following: energy water and savings, and building renewal grant.

(This page intentionally left blank)

**Cave Creek Unified School District No. 93**  
**Combining Balance Sheet**  
**Non-Major Governmental Funds**  
**June 30, 2023**

	<u>Special Revenue Funds</u>			<u>Capital Projects Funds</u>
	<u>Classroom Site</u>	<u>Instructional</u>		<u>Adjacent Ways</u>
		<u>Improvement</u>	<u>Food Service</u>	
<b>Assets</b>				
Cash and investments	\$ 3,085,523	\$ 397,529	\$ 1,566,616	\$
Deposits			49,924	
Due from governmental entities		246,761		
Inventory			20,889	
<b>Total assets</b>	<u>\$ 3,085,523</u>	<u>\$ 644,290</u>	<u>\$ 1,637,429</u>	<u>\$</u>
<b>Liabilities</b>				
Accounts payable	\$	\$	\$ 12,226	\$
Due to other funds				123
Accrued payroll and employee benefits	175,675			
<b>Total liabilities</b>	<u>175,675</u>		<u>12,226</u>	<u>123</u>
<b>Deferred inflows of resources</b>				
Unavailable revenues - intergovernmental				
<b>Total deferred inflows of resources</b>				
<b>Fund balances</b>				
Nonspendable			20,889	
Restricted	2,909,848	644,290	1,604,314	
Unassigned				(123)
<b>Total fund balances</b>	<u>2,909,848</u>	<u>644,290</u>	<u>1,625,203</u>	<u>(123)</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 3,085,523</u>	<u>\$ 644,290</u>	<u>\$ 1,637,429</u>	<u>\$</u>

**Capital Projects**

<u>Funds</u>		<b>Total Non-Major</b>	
<b>Other Capital</b>		<b>Governmental</b>	
<b>Projects</b>		<b>Funds</b>	
\$		\$	5,049,668
			49,924
	369,311		616,072
			20,889
<u>\$</u>	<u>369,311</u>	<u>\$</u>	<u>5,736,553</u>
\$	369,311	\$	381,537
	865,292		865,415
			175,675
	<u>1,234,603</u>		<u>1,422,627</u>
	<u>324,323</u>		<u>324,323</u>
	<u>324,323</u>		<u>324,323</u>
			20,889
			5,158,452
	<u>(1,189,615)</u>		<u>(1,189,738)</u>
	<u>(1,189,615)</u>		<u>3,989,603</u>
<u>\$</u>	<u>369,311</u>	<u>\$</u>	<u>5,736,553</u>

**Cave Creek Unified School District No. 93**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Governmental Funds**  
**For the Year Ended June 30, 2023**

	<u>Special Revenue Funds</u>			<u>Capital Projects Funds</u>
	<u>Instructional</u>			<u>Adjacent Ways</u>
	<u>Classroom Site</u>	<u>Improvement</u>	<u>Food Service</u>	
<b>Revenues</b>				
Other local	\$ 48,242	\$ 9,915	\$ 1,237,192	\$
Property taxes				1
State aid and grants	4,062,305	336,642		
Federal aid, grants and reimbursements			805,336	
<b>Total revenues</b>	<u>4,110,547</u>	<u>346,557</u>	<u>2,042,528</u>	<u>1</u>
<b>Expenditures</b>				
Current:				
Instruction	2,933,841	120,381		
Support services - students and staff	215,506	7,249		
Support services - administration			2,026	
Operation and maintenance of plant services			49,455	
Operation of non-instructional services			1,537,349	
Capital outlay			213,546	
Debt service:				
Principal retirement				
Interest and fiscal charges				
<b>Total expenditures</b>	<u>3,149,347</u>	<u>127,630</u>	<u>1,802,376</u>	<u></u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>961,200</u>	<u>218,927</u>	<u>240,152</u>	<u>1</u>
<b>Other financing sources (uses)</b>				
Transfers in				
Transfers out			(109,278)	
Insurance recoveries				
<b>Total other financing sources (uses)</b>			<u>(109,278)</u>	
<b>Changes in fund balances</b>	<u>961,200</u>	<u>218,927</u>	<u>130,874</u>	<u>1</u>
<b>Fund balances, beginning of year</b>	<u>1,948,648</u>	<u>425,363</u>	<u>1,494,329</u>	<u>(124)</u>
<b>Fund balances, end of year</b>	<u>\$ 2,909,848</u>	<u>\$ 644,290</u>	<u>\$ 1,625,203</u>	<u>\$ (123)</u>

<b>Capital Projects</b>		
<b>Funds</b>		
<b>Other Capital</b>		<b>Total Non-Major</b>
<b>Projects</b>		<b>Governmental</b>
		<b>Funds</b>
\$ 207,575	\$ 1,502,924	
	1	
942,709	5,341,656	
49,585	854,921	
<u>1,199,869</u>	<u>7,699,502</u>	
		3,054,222
		222,755
		2,026
		49,455
		1,537,349
1,326,844	1,540,390	
960,515	960,515	
334,572	334,572	
<u>2,621,931</u>	<u>7,701,284</u>	
<u>(1,422,062)</u>	<u>(1,782)</u>	
580,330	580,330	
	(109,278)	
54,171	54,171	
<u>634,501</u>	<u>525,223</u>	
<u>(787,561)</u>	<u>523,441</u>	
<u>(402,054)</u>	<u>3,466,162</u>	
<u>\$ (1,189,615)</u>	<u>\$ 3,989,603</u>	



**Cave Creek Unified School District No. 93**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**Classroom Site**  
**For the Year Ended June 30, 2023**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Other local	\$	\$	\$ 48,242	\$ 48,242
State aid and grants			4,062,305	4,062,305
<b>Total revenues</b>			<u>4,110,547</u>	<u>4,110,547</u>
<b>Expenditures</b>				
Current:				
Instruction	5,001,000	5,081,375	2,933,841	2,147,534
Support services - students and staff	967,472	971,062	215,506	755,556
<b>Total expenditures</b>	<u>5,968,472</u>	<u>6,052,437</u>	<u>3,149,347</u>	<u>2,903,090</u>
<b>Changes in fund balances</b>	<u>(5,968,472)</u>	<u>(6,052,437)</u>	<u>961,200</u>	<u>7,013,637</u>
<b>Fund balances, beginning of year</b>			<u>1,948,648</u>	<u>1,948,648</u>
<b>Fund balances, end of year</b>	<u>\$ (5,968,472)</u>	<u>\$ (6,052,437)</u>	<u>\$ 2,909,848</u>	<u>\$ 8,962,285</u>

**Cave Creek Unified School District No. 93**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**Instructional Improvement**  
**For the Year Ended June 30, 2023**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Other local	\$	\$	\$ 9,915	\$ 9,915
State aid and grants			336,642	336,642
<b>Total revenues</b>			<u>346,557</u>	<u>346,557</u>
<b>Expenditures</b>				
Current:				
Instruction	264,097	311,257	120,381	190,876
Support services - students and staff	15,903	18,743	7,249	11,494
<b>Total expenditures</b>	<u>280,000</u>	<u>330,000</u>	<u>127,630</u>	<u>202,370</u>
<b>Changes in fund balances</b>	<u>(280,000)</u>	<u>(330,000)</u>	<u>218,927</u>	<u>548,927</u>
<b>Fund balances, beginning of year</b>			<u>425,363</u>	<u>425,363</u>
<b>Fund balances, end of year</b>	<u>\$ (280,000)</u>	<u>\$ (330,000)</u>	<u>\$ 644,290</u>	<u>\$ 974,290</u>

**Cave Creek Unified School District No. 93**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**Food Service**  
**For the Year Ended June 30, 2023**

	<u>Budget</u>		Variance with Final Budget
	<u>Original and Final</u>	<u>Actual</u>	
<b>Revenues</b>			
Other local	\$	\$ 1,237,192	\$ 1,237,192
Federal aid, grants and reimbursements		805,336	805,336
<b>Total revenues</b>		<u>2,042,528</u>	<u>2,042,528</u>
<b>Expenditures</b>			
Current:			
Support services - administration	2,080	2,026	54
Operation and maintenance of plant services	50,762	49,455	1,307
Operation of non-instructional services	1,577,970	1,537,349	40,621
Capital outlay	219,189	213,546	5,643
<b>Total expenditures</b>	<u>1,850,000</u>	<u>1,802,376</u>	<u>47,624</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,850,000)</u>	<u>240,152</u>	<u>2,090,152</u>
<b>Other financing sources (uses)</b>			
Transfers out		(109,278)	(109,278)
<b>Total other financing sources (uses)</b>		<u>(109,278)</u>	<u>(109,278)</u>
<b>Changes in fund balances</b>	<u>(1,850,000)</u>	<u>130,874</u>	<u>1,980,874</u>
<b>Fund balances, beginning of year</b>		<u>1,494,329</u>	<u>1,494,329</u>
<b>Fund balances, end of year</b>	<u>\$ (1,850,000)</u>	<u>\$ 1,625,203</u>	<u>\$ 3,475,203</u>

**Cave Creek Unified School District No. 93**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**Debt Service**  
**For the Year Ended June 30, 2023**

	<u>Budget</u>		<b>Variance with Final Budget</b>
	<u>Original and Final</u>	<u>Actual</u>	
<b>Revenues</b>			
Other local	\$	\$ 34,464	\$ 34,464
Property taxes		3,583,840	3,583,840
<b>Total revenues</b>		<u>3,618,304</u>	<u>3,618,304</u>
<b>Expenditures</b>			
Debt service:			
Principal retirement	2,700,000	2,700,000	
Interest and fiscal charges	898,150	901,600	(3,450)
<b>Total expenditures</b>	<u>3,598,150</u>	<u>3,601,600</u>	<u>(3,450)</u>
<b>Changes in fund balances</b>	<u>(3,598,150)</u>	<u>16,704</u>	<u>3,614,854</u>
<b>Fund balances, beginning of year</b>		<u>151,160</u>	<u>151,160</u>
<b>Fund balances, end of year</b>	<u>\$ (3,598,150)</u>	<u>\$ 167,864</u>	<u>\$ 3,766,014</u>

**Cave Creek Unified School District No. 93**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**Adjacent Ways**  
**For the Year Ended June 30, 2023**

	<u>Budget</u>		<u>Variance with Final Budget</u>
	<u>Original and Final</u>	<u>Actual</u>	
<b>Revenues</b>			
Property taxes	\$ _____	\$ _____ 1	\$ _____ 1
<b>Total revenues</b>	_____	_____ 1	_____ 1
<b>Changes in fund balances</b>	_____	_____ 1	_____ 1
<b>Fund balances, beginning of year</b>	_____	_____ (124)	_____ (124)
<b>Fund balances, end of year</b>	<u>\$ _____</u>	<u>\$ _____ (123)</u>	<u>\$ _____ (123)</u>

**Cave Creek Unified School District No. 93**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**Other Capital Projects**  
**For the Year Ended June 30, 2023**

	<u>Budget</u>		<b>Variance with Final Budget</b>
	<u>Original and Final</u>	<u>Actual</u>	
<b>Revenues</b>			
Other local	\$	\$ 207,575	\$ 207,575
State aid and grants		942,709	942,709
Federal aid, grants and reimbursements		49,585	49,585
<b>Total revenues</b>		<u>1,199,869</u>	<u>1,199,869</u>
<b>Expenditures</b>			
Capital outlay	1,104,913	1,326,844	(221,931)
Debt service:			
Principal retirement	960,515	960,515	
Interest and fiscal charges	334,572	334,572	
<b>Total expenditures</b>	<u>2,400,000</u>	<u>2,621,931</u>	<u>(221,931)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(2,400,000)</u>	<u>(1,422,062)</u>	<u>977,938</u>
<b>Other financing sources (uses)</b>			
Transfers in		580,330	580,330
Insurance Recoveries		54,171	54,171
<b>Total other financing sources (uses)</b>		<u>634,501</u>	<u>634,501</u>
<b>Changes in fund balances</b>	<u>(2,400,000)</u>	<u>(787,561)</u>	<u>1,612,439</u>
<b>Fund balances, beginning of year</b>		<u>(402,054)</u>	<u>(402,054)</u>
<b>Fund balances, end of year</b>	<u>\$ (2,400,000)</u>	<u>\$ (1,189,615)</u>	<u>\$ 1,210,385</u>

(This page intentionally left blank)

## Statistical Section

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

### Financial Trends

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

### Revenue Capacity

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

### Debt Capacity

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

### Demographic and Economic Information

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

### Operating Information

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

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



(This page intentionally left blank)

**Cave Creek Unified School District No. 93**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2023</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>
<b>Net Position:</b>					
Net investment in capital assets	\$ 85,024,199	\$ 84,033,437	\$ 77,842,179	\$ 78,563,406	\$ 79,181,930
Restricted	12,547,407	11,932,181	8,834,491	7,390,000	7,383,029
Unrestricted	<u>(18,902,657)</u>	<u>(25,025,029)</u>	<u>(26,187,856)</u>	<u>(28,124,981)</u>	<u>(23,757,249)</u>
Total net position	<u><u>\$ 78,668,949</u></u>	<u><u>\$ 70,940,589</u></u>	<u><u>\$ 60,488,814</u></u>	<u><u>\$ 57,828,425</u></u>	<u><u>\$ 62,807,710</u></u>
	<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>Net Position:</b>					
Net investment in capital assets	\$ 78,704,363	\$ 79,996,505	\$ 82,033,389	\$ 84,788,379	\$ 85,689,325
Restricted	8,228,560	9,801,112	6,769,042	5,812,548	12,257,340
Unrestricted	<u>(26,725,535)</u>	<u>(29,355,827)</u>	<u>(28,820,713)</u>	<u>(27,192,271)</u>	<u>6,151,768</u>
Total net position	<u><u>\$ 60,207,388</u></u>	<u><u>\$ 60,441,790</u></u>	<u><u>\$ 59,981,718</u></u>	<u><u>\$ 63,408,656</u></u>	<u><u>\$ 104,098,433</u></u>

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

**Cave Creek Unified School District No. 93**  
**Expenses, Program Revenues, and Net (Expense)/Revenue**  
**Last Ten Fiscal Years**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2023</b></u>	<u><b>2022</b></u>	<u><b>2021</b></u>	<u><b>2020</b></u>	<u><b>2019</b></u>
<b>Expenses</b>					
Instruction	\$ 26,588,570	\$ 26,726,528	\$ 29,380,981	\$ 29,382,019	\$ 26,336,762
Support services - students and staff	5,489,240	4,939,842	5,988,864	5,834,781	5,002,610
Support services - administration	5,667,093	5,655,938	5,525,749	5,207,960	4,785,416
Operation and maintenance of plant services	5,929,943	5,504,221	5,358,042	5,125,131	5,129,214
Student transportation services	3,877,763	3,755,338	3,624,300	3,437,257	3,193,581
Operation of non-instructional services	4,516,855	3,757,754	3,224,537	3,918,694	3,802,820
Interest on long-term debt	1,118,287	1,346,816	1,154,545	1,235,291	1,354,254
<b>Total expenses</b>	<u>53,187,751</u>	<u>51,686,437</u>	<u>54,257,018</u>	<u>54,141,133</u>	<u>49,604,657</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	2,102,189	1,425,060	1,814,303	2,015,408	960,627
Operation of non-instructional services	3,481,468	2,985,074	908,270	2,680,866	3,565,543
Other activities	348,587	294,515	724,030	261,630	243,407
Operating grants and contributions	7,601,179	7,181,506	8,857,500	3,623,178	3,221,468
Capital grants and contributions	2,276,271	867,170	1,194,300	2,379,366	3,482,861
<b>Total program revenues</b>	<u>15,809,694</u>	<u>12,753,325</u>	<u>13,498,403</u>	<u>10,960,448</u>	<u>11,473,906</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (37,378,057)</u>	<u>\$ (38,933,112)</u>	<u>\$ (40,758,615)</u>	<u>\$ (43,180,685)</u>	<u>\$ (38,130,751)</u>

(Continued)

**Cave Creek Unified School District No. 93**  
**Expenses, Program Revenues, and Net (Expense)/Revenue**  
**Last Ten Fiscal Years**  
**(Accrual basis of accounting)**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Expenses</b>					
Instruction	\$ 24,311,018	\$ 25,354,195	\$ 24,719,918	\$ 24,539,091	\$ 24,083,445
Support services - students and staff	4,805,519	5,102,509	5,179,743	5,385,973	5,545,312
Support services - administration	4,560,020	4,579,811	4,912,201	4,253,191	4,075,563
Operation and maintenance of plant services	4,862,824	4,651,505	4,785,193	4,886,525	5,305,320
Student transportation services	2,857,819	3,020,216	3,098,569	2,872,223	2,847,787
Operation of non-instructional services	3,557,601	3,421,557	3,595,918	3,631,070	3,369,983
Interest on long-term debt	1,419,436	1,558,707	1,394,888	846,350	926,059
Total expenses	<u>46,374,237</u>	<u>47,688,500</u>	<u>47,686,430</u>	<u>46,414,423</u>	<u>46,153,469</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	867,070	900,201	900,290	1,001,878	1,433,699
Operation of non-instructional services	3,313,445	3,164,337	3,107,514	3,162,850	2,936,880
Other activities	265,453	302,425	406,508	105,294	214,835
Operating grants and contributions	3,357,790	3,295,729	3,186,730	3,416,831	2,651,294
Capital grants and contributions	1,061,696	507,076	2,109,087	384,423	110,830
Total program revenues	<u>8,865,454</u>	<u>8,169,768</u>	<u>9,710,129</u>	<u>8,071,276</u>	<u>7,347,538</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (37,508,783)</u>	<u>\$ (39,518,732)</u>	<u>\$ (37,976,301)</u>	<u>\$ (38,343,147)</u>	<u>\$ (38,805,931)</u>

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

**(Concluded)**

**Cave Creek Unified School District No. 93**  
**General Revenues and Total Changes in Net Position**  
**Last Ten Fiscal Years**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Net (Expense)/Revenue</b>	\$ (37,378,057)	\$ (38,933,112)	\$ (40,758,615)	\$ (43,180,685)	\$ (38,130,751)
<b>General Revenues:</b>					
Property taxes	30,965,463	28,746,919	31,552,017	30,301,733	29,634,791
Investment income	327,423	135,472	94,277	216,807	268,880
Unrestricted state aid	13,466,846	12,549,417	11,467,135	10,945,203	10,603,945
Unrestricted federal aid	346,685	327,094	305,575	290,624	223,457
<b>Total general revenues and special item</b>	<u>45,106,417</u>	<u>41,758,902</u>	<u>43,419,004</u>	<u>41,754,367</u>	<u>40,731,073</u>
<b>Changes in Net Position</b>	<u>\$ 7,728,360</u>	<u>\$ 2,825,790</u>	<u>\$ 2,660,389</u>	<u>\$ (1,426,318)</u>	<u>\$ 2,600,322</u>

(Continued)

**Cave Creek Unified School District No. 93**  
**General Revenues and Total Changes in Net Position**  
**Last Ten Fiscal Years**  
**(Accrual basis of accounting)**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Net (Expense)/Revenue</b>	\$ (37,508,783)	\$ (39,518,732)	\$ (37,976,301)	\$ (38,343,147)	\$ (38,805,931)
<b>General Revenues:</b>					
Property taxes	26,804,600	29,719,161	24,950,599	27,853,617	30,010,916
Investment income	164,193	123,764	158,748	93,414	84,004
Unrestricted state aid	10,047,571	9,986,017	9,319,335	9,291,807	9,418,340
Unrestricted federal aid	251,954	149,862	120,681	70,303	76,156
<b>Special item:</b>					
Gain of sale on land					914,370
<b>Total general revenues and special item</b>	<u>37,268,318</u>	<u>39,978,804</u>	<u>34,549,363</u>	<u>37,309,141</u>	<u>40,503,786</u>
<b>Changes in Net Position</b>	<u>\$ (240,465)</u>	<u>\$ 460,072</u>	<u>\$ (3,426,938)</u>	<u>\$ (1,034,006)</u>	<u>\$ 1,697,855</u>

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

**(Concluded)**

**Cave Creek Unified School District No. 93**  
**Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2023</b></u>	<u><b>2022</b></u>	<u><b>2021</b></u>	<u><b>2020</b></u>	<u><b>2019</b></u>
General Fund:					
Nonspendable	\$ 66,718	\$ 81,226	\$ 71,877	\$ 242,769	\$ 211,155
Unassigned	12,408,721	7,085,967	6,579,695	3,145,685	2,866,411
Total General Fund	<u>\$ 12,475,439</u>	<u>\$ 7,167,193</u>	<u>\$ 6,651,572</u>	<u>\$ 3,388,454</u>	<u>\$ 3,077,566</u>
All Other Governmental Funds:					
Nonspendable	\$ 20,889	\$ 22,783	\$ 16,633	\$ 18,021	\$ 11,250
Restricted	11,940,555	11,898,519	8,797,476	7,328,075	7,486,479
Unassigned	(4,194,576)	(3,870,172)	(2,925,113)	(1,385,388)	(414,627)
Total all other governmental funds	<u>\$ 7,766,868</u>	<u>\$ 8,051,130</u>	<u>\$ 5,888,996</u>	<u>\$ 5,960,708</u>	<u>\$ 7,083,102</u>

(Continued)

**Cave Creek Unified School District No. 93**  
**Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified accrual basis of accounting)**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
General Fund:					
Nonspendable	\$ 147,771	\$ 751,620	\$ 669,428	\$ 737,513	\$ 786,540
Unassigned	3,761,641	3,034,869	3,748,630	4,945,744	483,980
Total General Fund	<u>\$ 3,909,412</u>	<u>\$ 3,786,489</u>	<u>\$ 4,418,058</u>	<u>\$ 5,683,257</u>	<u>\$ 1,270,520</u>
All Other Governmental Funds:					
Nonspendable	\$ 7,607	\$ 19,033	\$ 22,651	\$ 23,795	\$ 10,082
Restricted	8,919,287	11,650,318	14,611,808	29,339,413	21,275,225
Unassigned	(381,877)	(2,499)			
Total all other governmental funds	<u>\$ 8,545,017</u>	<u>\$ 11,666,852</u>	<u>\$ 14,634,459</u>	<u>\$ 29,363,208</u>	<u>\$ 21,285,307</u>

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

**(Concluded)**



**Cave Creek Unified School District No. 93**  
**Governmental Funds Revenues**  
**Last Ten Fiscal Years**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2023</b></u>	<u><b>2022</b></u>	<u><b>2021</b></u>	<u><b>2020</b></u>	<u><b>2019</b></u>
<b>Federal sources:</b>					
Federal grants	\$ 6,043,014	\$ 2,911,067	\$ 4,561,729	\$ 1,508,498	\$ 1,910,333
National School Lunch Program	805,336	2,321,823	1,536,610	394,666	394,547
Total federal sources	<u>6,848,350</u>	<u>5,232,890</u>	<u>6,098,339</u>	<u>1,903,164</u>	<u>2,304,880</u>
<b>State sources:</b>					
State equalization assistance	9,067,899	8,025,181	8,549,650	8,003,578	7,715,660
State grants	877,530	485,010	715,672	671,057	523,674
School Facilities Oversight Board	942,709	232,079	807,073	1,959,210	2,695,543
Other revenues	4,398,947	4,535,488	2,917,485	2,941,625	2,888,285
Total state sources	<u>15,287,085</u>	<u>13,277,758</u>	<u>12,989,880</u>	<u>13,575,470</u>	<u>13,823,162</u>
<b>Local sources:</b>					
Property taxes	30,882,481	28,804,663	31,975,542	29,966,948	28,921,848
Food service sales	1,132,529	446,589	347,001	1,018,143	1,202,732
Investment income	327,423	135,468	94,277	216,807	268,880
Other revenues	5,837,005	5,447,328	4,354,355	5,048,091	5,050,387
Total local sources	<u>38,179,438</u>	<u>34,834,048</u>	<u>36,771,175</u>	<u>36,249,989</u>	<u>35,443,847</u>
<b>Total revenues</b>	<u><u>\$ 60,314,873</u></u>	<u><u>\$ 53,344,696</u></u>	<u><u>\$ 55,859,394</u></u>	<u><u>\$ 51,728,623</u></u>	<u><u>\$ 51,571,889</u></u>

(Continued)

**Cave Creek Unified School District No. 93**  
**Governmental Funds Revenues**  
**Last Ten Fiscal Years**  
**(Modified accrual basis of accounting)**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Federal sources:</b>					
Federal grants	\$ 1,691,780	\$ 1,631,627	\$ 1,757,760	\$ 1,829,311	\$ 1,680,750
National School Lunch Program	416,140	375,842	371,686	346,734	373,130
Total federal sources	<u>2,107,920</u>	<u>2,007,469</u>	<u>2,129,446</u>	<u>2,176,045</u>	<u>2,053,880</u>
<b>State sources:</b>					
State equalization assistance	7,382,480	7,705,512	7,078,331	7,137,986	7,260,464
State grants	568,990	233,136	227,318	234,141	226,635
School Facilities Oversight Board	9,449	273,073	2,077,408	138,288	10,759
Other revenues	<u>2,655,642</u>	<u>2,280,505</u>	<u>2,241,004</u>	<u>2,153,821</u>	<u>2,157,876</u>
Total state sources	<u>10,616,561</u>	<u>10,492,226</u>	<u>11,624,061</u>	<u>9,664,236</u>	<u>9,655,734</u>
<b>Local sources:</b>					
Property taxes	26,711,273	29,859,372	27,352,866	28,023,207	29,200,643
Food service sales	1,218,014	1,198,157	1,291,412	1,283,892	1,208,929
Investment income	164,193	123,759	158,748	93,414	200,275
Other revenues	<u>4,903,220</u>	<u>4,655,252</u>	<u>4,128,078</u>	<u>4,340,061</u>	<u>3,706,068</u>
Total local sources	<u>32,996,700</u>	<u>35,836,540</u>	<u>32,931,104</u>	<u>33,740,574</u>	<u>34,315,915</u>
<b>Total revenues</b>	<u>\$ 45,721,181</u>	<u>\$ 48,336,235</u>	<u>\$ 46,684,611</u>	<u>\$ 45,580,855</u>	<u>\$ 46,025,529</u>

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

**(Concluded)**

**Cave Creek Unified School District No. 93**  
**Governmental Funds Expenditures and Debt Service Ratio**  
**Last Ten Fiscal Years**  
**(Modified accrual basis of accounting)**

	Fiscal Year Ended June 30				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 22,140,576	\$ 21,958,634	\$ 24,226,127	\$ 23,834,796	\$ 22,503,646
Support services - students and staff	5,614,652	4,888,999	5,933,709	5,746,806	5,401,923
Support services - administration	5,250,431	5,278,082	5,069,787	4,830,120	4,713,261
Operation and maintenance of plant services	5,357,700	4,969,101	5,086,799	4,911,614	5,002,136
Student transportation services	3,104,896	3,046,475	2,816,782	2,788,363	2,642,320
Operation of non-instructional services	4,400,241	3,592,244	3,118,837	3,761,743	3,821,355
Capital outlay	4,579,877	1,940,409	8,154,787	3,437,451	5,364,687
Debt service -					
Principal retirement	3,660,515	3,543,797	3,230,037	3,139,217	3,011,212
Interest and fiscal charges	1,236,172	1,464,699	1,272,428	1,353,174	1,472,137
Bond issuance costs					
<b>Total expenditures</b>	<u>\$ 55,345,060</u>	<u>\$ 50,682,440</u>	<u>\$ 58,909,293</u>	<u>\$ 53,803,284</u>	<u>\$ 53,932,677</u>
Expenditures for capitalized assets	\$ 2,560,903	\$ 336,966	\$ 7,182,194	\$ 2,374,186	\$ 3,560,459
Debt service as a percentage of noncapital expenditures	9%	10%	9%	9%	9%

(Continued)

**Cave Creek Unified School District No. 93**  
**Governmental Funds Expenditures and Debt Service Ratio**  
**Last Ten Fiscal Years**  
**(Modified accrual basis of accounting)**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 20,228,185	\$ 20,358,812	\$ 19,602,676	\$ 19,986,473	\$ 19,956,474
Support services - students and staff	5,008,454	4,977,809	4,929,002	5,226,143	5,309,677
Support services - administration	4,532,827	4,442,962	4,479,484	3,953,603	3,724,938
Operation and maintenance of plant services	4,321,945	4,540,445	4,510,804	4,648,657	5,034,582
Student transportation services	2,243,161	2,490,763	2,493,891	2,448,312	2,518,723
Operation of non-instructional services	3,549,945	3,322,360	3,506,861	3,454,690	3,211,608
Capital outlay	3,722,919	17,329,883	20,016,232	10,245,661	4,689,365
Debt service -					
Principal retirement	2,963,513	3,188,280	3,079,010	2,890,811	1,687,166
Interest and fiscal charges	1,534,319	1,679,591	1,479,970	868,266	926,059
Bond issuance costs		175,096		477,018	
<b>Total expenditures</b>	<u>\$ 48,105,268</u>	<u>\$ 62,506,001</u>	<u>\$ 64,097,930</u>	<u>\$ 54,199,634</u>	<u>\$ 47,058,592</u>
Expenditures for capitalized assets	\$ 2,498,794	\$ 15,490,030	\$ 17,445,394	\$ 9,263,742	\$ 3,359,683
Debt service as a percentage of noncapital expenditures	10%	11%	10%	9%	6%

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

**(Concluded)**

**Cave Creek Unified School District No. 93**  
**Other Financing Sources and Uses and Net Changes in Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ 4,969,813	\$ 2,662,256	\$ (3,049,899)	\$ (2,074,661)	\$ (2,360,788)
<b>Other financing sources (uses):</b>					
Capital lease agreements			6,413,585		
Insurance recoveries	54,171			44,371	
Transfers in	807,333	900,556	212,051	662,259	646,449
Transfers out	<u>(807,333)</u>	<u>(900,556)</u>	<u>(212,051)</u>	<u>(662,259)</u>	<u>(646,449)</u>
Total other financing sources (uses)	<u>54,171</u>	<u></u>	<u>6,413,585</u>	<u>44,371</u>	<u></u>
<b>Changes in fund balances</b>	<u>\$ 5,023,984</u>	<u>\$ 2,662,256</u>	<u>\$ 3,363,686</u>	<u>\$ (2,030,290)</u>	<u>\$ (2,360,788)</u>
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (2,384,087)	\$ (14,169,766)	\$ (17,413,319)	\$ (8,618,779)	\$ (1,033,063)
<b>Other financing sources (uses):</b>					
General obligation bonds issued		10,000,000		20,000,000	
Issuance of refunding bonds				11,125,000	
Premium on sale of bonds		492,016		1,851,969	
Payment to refunded bond escrow agent				(11,832,238)	
Capital lease agreements			1,488,600		3,834,999
Proceeds from sale of capital asset					914,370
Transfers in	530,387	801,582	755,746	3,461,409	1,788,048
Transfers out	<u>(530,387)</u>	<u>(801,582)</u>	<u>(755,746)</u>	<u>(3,461,409)</u>	<u>(1,788,048)</u>
Total other financing sources (uses)	<u></u>	<u>10,492,016</u>	<u>1,488,600</u>	<u>21,144,731</u>	<u>4,749,369</u>
<b>Changes in fund balances</b>	<u>\$ (2,384,087)</u>	<u>\$ (3,677,750)</u>	<u>\$ (15,924,719)</u>	<u>\$ 12,525,952</u>	<u>\$ 3,716,306</u>

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

**Cave Creek Unified School District No. 93**  
**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>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Commercial, Industrial, Utilities and Mining	\$ 158,076,467	\$ 155,282,843	\$ 143,401,715	\$ 131,537,965	\$ 129,481,347
Agricultural and Vacant	158,502,606	154,007,736	158,886,449	164,815,155	154,508,330
Residential (Owner Occupied)	1,340,120,617	1,267,448,202	1,198,166,676	1,137,978,099	1,087,787,600
Residential (Rental)	<u>783,235,960</u>	<u>738,424,598</u>	<u>697,668,611</u>	<u>663,051,916</u>	<u>603,344,201</u>
<b>Total</b>	<b>\$ <u>2,439,935,650</u></b>	<b>\$ <u>2,315,163,379</u></b>	<b>\$ <u>2,198,123,451</u></b>	<b>\$ <u>2,097,383,135</u></b>	<b>\$ <u>1,975,121,478</u></b>
Gross Full Cash Value	\$ 28,078,878,529	\$ 26,601,329,910	\$ 24,726,417,310	\$ 23,638,998,522	\$ 22,350,253,459
Ratio of Net Limited Assessed Value to Gross Full Cash Value	8.69%	8.70%	8.89%	8.87%	8.84%
Total Direct Rate	1.63	1.57	1.82	1.82	1.84

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Commercial, Industrial, Utilities and Mining	\$ 129,394,206	\$ 123,708,109	\$ 124,776,268	\$ 128,377,990	\$ 129,589,031
Agricultural and Vacant	153,961,121	153,262,824	163,905,871	167,369,418	168,124,347
Residential (Owner Occupied)	1,032,489,785	970,466,650	942,125,521	941,931,021	972,673,961
Residential (Rental)	<u>564,021,475</u>	<u>532,397,173</u>	<u>476,027,308</u>	<u>388,267,882</u>	<u>291,595,722</u>
<b>Total</b>	<b>\$ <u>1,879,866,587</u></b>	<b>\$ <u>1,779,834,756</u></b>	<b>\$ <u>1,706,834,968</u></b>	<b>\$ <u>1,625,946,311</u></b>	<b>\$ <u>1,561,983,061</u></b>
Gross Full Cash Value	\$ 21,768,360,880	\$ 20,513,402,107	\$ 18,884,344,307	\$ 16,122,265,355	\$ 15,070,782,027
Ratio of Net Limited Assessed Value to Gross Full Cash Value	8.64%	8.68%	9.04%	10.09%	10.36%
Total Direct Rate	1.81	2.10	2.00	2.16	2.36

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

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

**Cave Creek Unified School District No. 93**  
**Net Full Cash Assessed Value of Taxable Property by Class**  
**Last Ten Fiscal Years**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Commerical, Industrial, Utilities and Mining	\$ 187,147,381	\$ 196,252,377	\$ 175,134,042	\$ 164,364,065	\$ 151,770,831
Agricultural and Vacant	266,128,816	260,662,708	258,385,344	254,229,982	260,337,907
Residential (Owner Occupied)	1,502,176,029	1,415,353,620	1,307,308,341	1,258,003,759	1,209,520,591
Residential (Rental)	<u>891,928,855</u>	<u>837,315,921</u>	<u>780,452,777</u>	<u>744,153,361</u>	<u>676,173,704</u>
<b>Total</b>	<b>\$ <u>2,847,381,081</u></b>	<b>\$ <u>2,709,584,626</u></b>	<b>\$ <u>2,521,280,504</u></b>	<b>\$ <u>2,420,751,167</u></b>	<b>\$ <u>2,297,803,033</u></b>
Gross Full Cash Value	\$ 28,078,878,529	\$ 26,601,329,910	\$ 24,726,417,310	\$ 23,638,998,522	\$ 22,350,253,459
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10.14%	10.19%	10.20%	10.24%	10.28%
Estimated Net Full Cash Value	26,282,969,433	\$ 24,879,390,235	\$ 23,133,942,822	\$ 22,242,788,182	\$ 21,086,511,945
Total Direct Rate	1.63	1.57	1.82	1.82	1.84

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Commerical, Industrial, Utilities and Mining	\$ 150,955,590	\$ 135,685,025	\$ 129,630,944	\$ 130,170,349	\$ 129,774,897
Agricultural and Vacant	270,565,059	263,993,119	248,598,294	191,468,121	182,799,970
Residential (Owner Occupied)	1,174,209,973	1,113,275,646	1,057,299,717	964,394,201	974,832,815
Residential (Rental)	<u>648,467,951</u>	<u>607,471,814</u>	<u>531,526,095</u>	<u>399,273,186</u>	<u>292,071,068</u>
<b>Total</b>	<b>\$ <u>2,244,198,573</u></b>	<b>\$ <u>2,120,425,604</u></b>	<b>\$ <u>1,967,055,050</u></b>	<b>\$ <u>1,685,305,857</u></b>	<b>\$ <u>1,579,478,750</u></b>
Gross Full Cash Value	\$ 21,768,360,880	\$ 20,513,402,107	\$ 18,884,344,307	\$ 16,122,265,355	\$ 15,070,782,027
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10.31%	10.34%	10.42%	10.45%	10.48%
Estimated Net Full Cash Value	\$ 20,527,650,811	\$ 19,426,744,073	\$ 17,816,383,787	\$ 15,251,752,339	\$ 13,991,206,110
Total Direct Rate	1.81	2.10	2.00	2.16	2.36

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

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

**Cave Creek Unified School District No. 93**  
**Property Tax Assessment Ratios**  
**Last Ten Fiscal Years**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Commercial, Industrial, Utilities and Mining	18 %	18 %	18 %	18 %	18 %
Agricultural and Vacant	15	15	15	15	15
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	15	15	15	15	14

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Commercial, Industrial, Utilities and Mining	18 %	18 %	19 %	19 %	20 %
Agricultural and Vacant	15	15	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	15	14	15	16	15

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

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



**Cave Creek Unified School District No. 93**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	<b>Overlapping Rates</b>								<b>District Direct Rates</b>		
	State Equalization	County	Tatum Ranch Community Facilities District	Flood Control District	Community College District	Central Arizona Water	City of Phoenix	City of Scottsdale	Primary	Secondary	Total
	2023		1.25		0.16	1.19	0.14	2.11	0.91	1.48	0.15
2022	0.43	1.35		0.18	1.23	0.14	2.12	1.01	1.42	0.15	1.57
2021	0.44	1.40		0.18	1.29	0.14	2.13	1.03	1.65	0.16	1.82
2020	0.46	1.40		0.18	1.16	0.14	2.13	1.04	1.65	0.17	1.82
2019	0.47	1.40		0.18	1.38	0.14	2.15	1.10	1.65	0.18	1.84
2018	0.50	1.40		0.18	1.41	0.14	2.16	1.08	1.65	0.16	1.81
2017	0.50	1.40		0.18	1.47	0.14	2.17	1.13	1.88	0.23	2.10
2016	0.51	1.36	0.37	0.16	1.49	0.14	1.82	1.15	1.82	0.18	2.00
2015	0.51	1.32	1.04	0.14	1.52	0.14	1.82	1.24	2.05	0.11	2.16
2014	0.51	1.28	1.04	0.14	1.53	0.14	1.82	1.29	2.18	0.18	2.36

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

**Cave Creek Unified School District No. 93  
Principal Property Taxpayers  
Current Fiscal Year and Fiscal Year Nine Years Prior**

<u>Taxpayer</u>	<u>2023</u>		<u>2014</u>	
	<u>Net Limited Assessed Valuation</u>	<u>Percentage of District's Net Limited Valuation</u>	<u>Net Full Cash Assessed Valuation</u>	<u>Percentage of District's Net Full Cash Assessed Valuation</u>
Arizona Public Service Company	\$ 22,648,956	0.93 %	\$ 17,296,833	1.03 %
Southwest Gas Corporation	9,318,376	0.38	5,716,811	0.34
SHR FSST LLC	9,140,417	0.37		
CP Boulders LLC	8,623,923	0.35		
Scottsdale National Golf Club LLC	5,946,996	0.24		
Desert Mountain Club Inc.	4,999,778	0.20	5,783,153	0.34
WRI Summit Reit LP	4,777,724	0.20		
Whitestone La Mirada LLC	4,350,336	0.18		
SRC Pinnacle Owner LP	3,277,082	0.13		
Toll Brothers AZ Construction Company	3,024,829	0.12		
Walton PR Hotel III LLC			7,941,650	0.47
Wind P1 Mortgage Borrower LLC			7,585,570	0.45
Pulte Home Corporation			5,283,448	0.31
Donahue Schriber Realty Group L P			4,641,793	0.28
HCA/KB LMS/GCCI/MPI/SPI/KB LMS II LLC			3,355,717	0.20
Lone Mountain AZ LLC			3,071,152	0.18
Whitestone Terravita Marketplace LLC			2,653,673	0.16
Total	<u>\$ 76,108,417</u>	<u>3.12 %</u>	<u>\$ 63,329,800</u>	<u>3.76 %</u>

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

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

**Cave Creek Unified School District No. 93**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Fiscal Years	Collected to the End of the Current Fiscal Year	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2023	\$ 39,788,924	\$ 37,467,884	94.17 %	\$	\$ 37,467,884	94.17 %
2022	36,406,982	33,907,578	93.13	2,496,366	36,403,944	99.99
2021	39,916,419	37,303,612	93.45	2,610,777	39,914,389	99.99
2020	38,100,959	35,368,810	92.83	2,727,939	38,096,749	99.99
2019	36,292,164	33,645,132	92.71	2,645,553	36,290,685	100.00
2018	33,970,151	31,219,558	91.90	2,749,755	33,969,313	100.00
2017	37,465,040	34,500,219	92.09	2,963,906	37,464,125	100.00
2016	34,148,187	33,609,091	98.42	538,278	34,147,369	100.00
2015	35,103,893	32,134,883	91.54	2,968,018	35,102,901	100.00
2014	36,888,261	33,829,532	91.71	3,058,241	36,887,773	100.00

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

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

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

**Cave Creek Unified School District No. 93  
Outstanding Debt by Type  
Last Ten Fiscal Years**

Fiscal Year Ended June 30	General Obligation Bonds					Total Outstanding Debt				
	General Obligation Bonds	Less: Amounts Restricted for Principal	Total	Percentage of Estimated Actual Value	Per Capita	Financed Purchases and Leases	Total	Percentage of Estimated Actual Value	Per Capita	Percentage of Personal Income
2023	\$ 25,299,565	\$ 167,864	\$ 25,131,701	0.09 %	\$ 211	\$ 9,045,626	\$ 34,345,191	0.12 %	\$ 287	N/A %
2022	28,106,032	151,160	27,954,872	0.11	417	10,006,141	38,112,173	0.14	566	0.01
2021	30,842,497	133,435	30,709,062	0.12	467	10,939,938	41,782,435	0.17	633	0.02
2020	33,548,962	195,597	33,353,365	0.14	516	5,216,390	38,765,352	0.16	597	0.02
2019	36,150,427	222,307	35,928,120	0.16	570	5,845,607	41,996,034	0.19	662	0.02
2018	38,726,892	185,549	38,541,343	0.18	618	6,451,819	45,178,711	0.21	721	0.02
2017	41,558,357	737,011	40,821,346	0.20	665	7,035,332	48,593,689	0.24	777	0.03
2016	32,285,000	289,873	31,995,127	0.17	526	7,588,612	39,873,612	0.21	649	0.02
2015	33,750,000	844,664	32,905,336	0.20	568	6,569,022	40,319,022	0.25	679	0.02
2014	14,975,000	207,463	14,767,537	0.10	252	7,994,833	22,969,833	0.15	387	0.02

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

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

**Note:** The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 87 were adopted in fiscal year 2022. The standard replaces the previous capital and operating lease designations with financed purchases or leases depending on the substance of the transactions. The fiscal year 2014-2021 information within this column relates to the transactions previously designated as capital leases.

**Cave Creek Unified School District No. 93**  
**Direct and Overlapping Governmental Activities Debt**  
**June 30, 2023**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to School District</u>	<u>Estimated Amount Applicable to School District</u>
Overlapping:			
Maricopa County Community College District	\$ 250,065,000	5.65 %	\$ 14,125,524
Maricopa County Special Health Care District	745,962,381	4.93	36,775,945
City of Phoenix	918,575,000	18.45	169,497,160
City of Scottsdale	448,225,000	38.59	<u>172,958,968</u>
Subtotal, Overlapping Debt			<u>393,357,597</u>
Direct:			
Cave Creek Unified School District No. 93			<u>34,345,191</u>
Total Direct and Overlapping Governmental Activities Debt			<u>\$ 427,702,788</u>

**Direct and Overlapping General Bonded Debt Ratios**

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation		1.03 %
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 3,491	
As a Percentage of Net Limited Assessed Valuation		17.15 %
As a Percentage of Gross Full Cash Value		1.49 %

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

- Note:** 1) Estimated percentage of debt outstanding applicable to the District is calculated based on a portion of the District's net limited assessed valuation as a percentage of the net limited assessed valuation of the overlapping jurisdiction.
- 2) Outstanding debt as of June 30, 2022 is presented for the overlapping governments as this is the most recent available information.

**Cave Creek Unified School District No. 93**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**

**Class B Bond Legal Debt Margin Calculation for Fiscal Year 2023:**

Net full cash assessed valuation	\$ 2,847,381,081
Debt limit (20% of assessed value)	569,476,216
Debt applicable to limit	<u>24,595,000</u>
Legal debt margin	<u><u>\$ 544,881,216</u></u>

**Total Legal Debt Margin Calculation for Fiscal Year 2023:**

Net Full Cash assessed valuation	\$ 2,847,381,081
Debt limit (30% of assessed value)	854,214,324
Debt applicable to limit	<u>24,595,000</u>
Legal debt margin	<u><u>\$ 829,619,324</u></u>

**Fiscal Year Ended June 30**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Debt Limit	\$ 854,214,324	\$ 812,875,388	\$ 756,384,151	\$ 726,225,350	\$ 689,340,910
Total net debt applicable to limit	<u>24,595,000</u>	<u>27,205,000</u>	<u>29,745,000</u>	<u>32,255,000</u>	<u>34,660,000</u>
Legal debt margin	<u><u>\$ 829,619,324</u></u>	<u><u>\$ 785,670,388</u></u>	<u><u>\$ 726,639,151</u></u>	<u><u>\$ 693,970,350</u></u>	<u><u>\$ 654,680,910</u></u>
Total net debt applicable to the limit as a percentage of debt limit	3%	3%	4%	4%	5%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Debt Limit	\$ 673,259,572	\$ 636,127,681	\$ 512,050,490	\$ 505,591,757	\$ 473,843,625
Total net debt applicable to limit	<u>37,040,000</u>	<u>39,675,000</u>	<u>32,285,000</u>	<u>33,750,000</u>	<u>14,975,000</u>
Legal debt margin	<u><u>\$ 636,219,572</u></u>	<u><u>\$ 596,452,681</u></u>	<u><u>\$ 479,765,490</u></u>	<u><u>\$ 471,841,757</u></u>	<u><u>\$ 458,868,625</u></u>
Total net debt applicable to the limit as a percentage of debt limit	6%	6%	6%	7%	3%

**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.

**Cave Creek Unified School District No. 93**  
**County-Wide Demographic and Economic Statistics**  
**Last Ten Calendar Years**

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands)</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>	<u>Estimated District Population</u>
2022	4,586,431	\$ N/A	\$ N/A	3.3 %	64,823
2021	4,507,419	268,713,717	59,759	4.5	67,385
2020	4,439,220	245,077,753	53,521	6.6	66,007
2019	4,367,835	222,943,072	49,704	3.6	64,977
2018	4,294,460	210,370,180	47,694	4.1	63,449
2017	4,221,684	196,286,191	45,573	4.2	62,704
2016	4,137,076	185,111,698	43,628	4.5	62,506
2015	4,087,191	175,437,829	42,092	5.5	61,401
2014	4,008,651	168,483,421	41,222	5.1	59,379
2013	4,009,412	147,700,000	27,552	6.2	59,380

**Sources:** The source of the "Personal Income" and "Per Capita" information is the Bureau of Economic Analysis. The source of the "Population" and "Unemployment Rate" information is the Arizona Office of Employment and Population Statistics.

**Cave Creek Unified School District No. 93  
Principal Employers  
Current Fiscal Year and Fiscal Year Nine Years Prior**

<u>Employer</u>	<u>2023</u>		<u>2014</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Banner Health Systems	28,740	1.56 %	25,270	1.41 %
State of Arizona	25,640	1.39	49,278	2.76
Wal-Mart Stores Inc.	20,080	1.09	32,169	1.80
Amazon	18,780	1.02		
Fry's Food and Drug Stores	15,620	0.85		
Wells Fargo & Co.	13,960	0.76	14,713	0.82
Maricopa County	12,730	0.69	12,698	0.71
Intel Corp.	11,810	0.64	11,900	0.67
Arizona State University	11,360	0.62	12,222	0.68
City of Phoenix	10,430	0.57	14,983	0.84
Bank of America			11,000	0.62
JP Morgan Chase & Co.			11,042	0.62
Total	<u>169,150</u>	<u>9.19 %</u>	<u>195,275</u>	<u>10.93 %</u>
Total employment	<u>1,845,910</u>		<u>1,787,700</u>	

**Source:** The source of this information for 2023 is the Maricopa Association of Governments and for 2014 is The Business Journal Book of Lists.

**Note:** Information is presented County-wide.



**Cave Creek Unified School District No. 93**  
**Full-Time Equivalent District Employees by Type**  
**Last Ten Fiscal Years**

	<b>Full-time Equivalent Employees as of June 30</b>				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Supervisory</b>					
Superintendent	1	1			
Consultants/supervisors of instruction	8	8	8	7	7
Principals	7	7	7	7	7
Assistant principals	4	4	3	3	3
Total supervisory	<u>20</u>	<u>20</u>	<u>18</u>	<u>17</u>	<u>17</u>
<b>Instruction</b>					
Teachers	248	248	270	275	276
Other teachers (adult)			9	19	19
Other professionals (instructional)	23	20	19	19	19
Aides	62	62	61	95	90
Total instruction	<u>333</u>	<u>330</u>	<u>359</u>	<u>408</u>	<u>404</u>
<b>Student Services</b>					
Librarians			1	1	1
Transportation/Bus Drivers/Bus Aides	47	56	56	55	55
Technicians	7	7	9	13	14
Total student services	<u>54</u>	<u>63</u>	<u>66</u>	<u>69</u>	<u>70</u>
<b>Support and Administration</b>					
Support staff and administration	163	153	158	190	215
Total support and administration	<u>163</u>	<u>153</u>	<u>158</u>	<u>190</u>	<u>215</u>
<b>Total</b>	<u><u>570</u></u>	<u><u>566</u></u>	<u><u>601</u></u>	<u><u>684</u></u>	<u><u>706</u></u>

(Continued)

**Cave Creek Unified School District No. 93**  
**Full-Time Equivalent District Employees by Type**  
**Last Ten Fiscal Years**

	<b>Full-time Equivalent Employees as of June 30</b>				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Supervisory</b>					
Superintendent					
Consultants/supervisors of instruction	8	7	6	6	6
Principals	7	7	7	7	7
Assistant principals	3	2	3	3	3
Total supervisory	<u>18</u>	<u>16</u>	<u>16</u>	<u>16</u>	<u>16</u>
<b>Instruction</b>					
Teachers	266	253	255	263	264
Other teachers (adult)	20	20	16	14	14
Other professionals (instructional)	19	23	25	30	29
Aides	83	91	93	72	75
Total instruction	<u>388</u>	<u>387</u>	<u>389</u>	<u>379</u>	<u>382</u>
<b>Student Services</b>					
Librarians	2	2	2	2	3
Transportation/Bus Drivers/Bus Aides	57	60	53	46	47
Technicians	13	13	13	13	13
Total student services	<u>72</u>	<u>75</u>	<u>68</u>	<u>61</u>	<u>63</u>
<b>Support and Administration</b>					
Support staff and administration	194	215	200	200	198
Total support and administration	<u>194</u>	<u>215</u>	<u>200</u>	<u>200</u>	<u>198</u>
<b>Total</b>	<u><u>672</u></u>	<u><u>693</u></u>	<u><u>673</u></u>	<u><u>656</u></u>	<u><u>659</u></u>

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

**(Concluded)**

**Cave Creek Unified School District No. 93**  
**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>
2023	4,370	\$ 45,868,496	\$ 10,496	12.49 %	\$ 53,187,751	\$ 12,171	10.37 %	248	17.6	7.9 %
2022	4,687	43,733,535	9,331	(4.68)	51,686,437	11,028	(3.97)	248	18.9	7.9
2021	4,725	46,252,041	9,789	12.39	54,257,018	11,483	11.71	270	17.5	7.0
2020	5,267	45,873,442	8,710	2.67	54,141,133	10,279	7.69	275	19.2	7.9
2019	5,197	44,084,641	8,483	11.42	49,604,657	9,545	7.83	276	18.8	7.2
2018	5,239	39,884,517	7,613	(0.35)	46,374,237	8,852	(2.50)	266	19.7	9.0
2017	5,253	40,133,151	7,640	0.38	47,688,500	9,078	(1.14)	253	20.8	9.0
2016	5,193	39,522,718	7,611	0.03	47,686,430	9,183	3.27	255	20.4	9.0
2015	5,220	39,717,878	7,609	0.44	46,414,423	8,892	1.10	263	19.8	9.0
2014	5,248	39,756,002	7,575	6.48	46,153,469	8,794	2.79	264	19.9	10.2

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

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

**Cave Creek Unified School District No. 93**  
**Capital Assets Information**  
**Last Ten Fiscal Years**

	<b>Fiscal Year Ended June 30</b>									
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b><u>Schools</u></b>										
<b>Elementary</b>										
Buildings	33	33	33	33	33	33	33	33	41	38
Square feet	430,385	430,385	430,385	430,385	430,385	430,385	430,385	429,205	455,915	368,023
Capacity	4,349	4,349	4,349	4,349	4,349	4,349	4,349	4,349	4,349	3,900
Enrollment	2,297	2,297	2,585	2,693	2,683	2,734	2,760	2,892	2,892	3,267
<b>Middle</b>										
Buildings	9	9	9	9	9	9	9	9	26	19
Square feet	210,303	210,303	210,303	210,303	210,303	210,303	210,303	210,303	214,623	214,623
Capacity	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	2,315	1,300
Enrollment	789	789	796	907	888	919	966	851	851	814
<b>High</b>										
Buildings	23	23	23	23	23	23	23	22	22	21
Square feet	259,366	259,366	259,366	259,366	259,366	259,366	259,366	241,239	241,239	241,430
Capacity	2,062	2,062	2,062	2,062	2,062	2,062	2,062	2,062	2,062	1,856
Enrollment	1,735	1,735	1,787	1,872	1,840	1,774	1,739	1,687	1,687	1,703
<b>Other</b>										
Buildings	7	7	7	7	7	7	7	6	5	8
Square feet	51,531	51,531	51,531	51,531	51,531	51,531	51,531	48,269	42,875	48,635
<b>Administrative</b>										
Buildings	2	2	2	2	2	2	2	2	2	2
Square feet	15,284	15,284	15,284	15,284	15,284	15,284	15,284	15,284	15,284	15,284
<b>Transportation</b>										
Garages	1	1	1	1	1	1	1	1	1	1
Buses	59	59	59	59	59	59	59	59	59	56
<b>Athletics</b>										
Football fields	1	1	1	1	1	1	1	1	1	1
Soccer fields	2	2	2	2	2	2	2	1	1	1
Running tracks	1	1	1	1	1	1	1	1	1	1
Baseball/softball	14	14	14	14	14	14	14	16	16	16
Playgrounds	12	12	12	12	12	12	12	10	10	10

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

(This page intentionally left blank)