
TEMPE UNION HIGH SCHOOL DISTRICT NO. 213

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2019



TEMPE UNION HIGH SCHOOL DISTRICT NO. 213

TEMPE, ARIZONA

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

Issued by:
Finance Department

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213

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INTRODUCTORY SECTION

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500 West Guadalupe Road • Tempe, Arizona • 85283-3599 • (480) 839-0292 • www.tempeunion.org

Dr. Kevin J. Mendivil
Superintendent

December 20, 2019

Governing Board and Citizens
Tempe Union High School District No. 213
500 West Guadalupe Road
Tempe, Arizona 85283

State law mandates that school districts required to undergo an annual single audit publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States by a certified public accounting firm licensed in the State of Arizona. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Tempe Union High School District No. 213 (District) for the fiscal year ended June 30, 2019.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with accounting principles generally accepted in the United States of America. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free of material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by Heinfeld, Meech & Co., P.C., a certified public accounting firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2019, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2019, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditors' report is presented as the first component of the financial section of this report.

Governing Board

Andres Barraza

Brian Garcia

Michelle Helm

Berdetta Hodge

Sandy Lowe

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

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

PROFILE OF THE DISTRICT

The District is one of 55 public school districts located in Maricopa County, Arizona. It provides a program of public education for grade nine through grade twelve, with an estimated current enrollment of 13,312 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 purposes and the

District is not included in any other governmental entity. Consequently, the District's financial statements include only the funds of those organizational entities for which its elected governing board is financially accountable. The District's major operations include education, student transportation, construction and maintenance of District facilities, food services, bookstore, and athletic functions.

The District was formed in 1908, encompasses approximately 162 square miles and is situated in the southeastern portion of Maricopa County. Located within the greater Phoenix metropolitan area, the District lies about ten miles southeast of downtown Phoenix. The principal city within the District is the City of Tempe, Arizona, which represents approximately 53% of the District's population. The cities of Chandler, Guadalupe, Mesa, Scottsdale and Phoenix, Arizona, overlap other portions of the District. The southwestern portion of the District lies within the Gila River Indian Reservation and the Maricopa/Pinal County line forms the southern boundary. Two elementary school districts are contained within the District. The District's projected enrollment for the 2019-20 school year is 13,360. The District employs 753 certified personnel and 570 classified personnel, which includes 54 principals and administrators. The District currently has one alternative high school and six comprehensive high schools, one of which includes a program for gifted students. The average age of the buildings in the District is approximately 42 years.

The District's mission is "Excellence in Teaching and Learning." The District goals are to: increase student achievement; optimize the use of all resources to accomplish District goals; recruit and retain highly-effective, diverse staff; and nurture positive relationships with our communities to support and advocate for District goals. The District continues to provide an excellent education to students with innovative programming, outstanding faculty and staff, and exceptional facilities and equipment. Tempe Union students consistently score above state and national average in standardized tests such as Stanford 9, AIMS, SAT, and ACT. The District is working toward meeting the needs of all of our students by offering an academy for gifted students and an International Baccalaureate World School, increasing career and technical education opportunities, and expanding our alternative learning environment for students who feel that the traditional high school setting does not meet their academic needs. Our higher education partners, Arizona State University and Maricopa Community College District, allow our students to take dual enrollment classes in Biotechnology and Engineering Programs, ASU's W.P. Carey School of Business and many other courses offered at the college level.

Each year many Tempe Union students are recognized for achievements with scholarships, grants, awards, and selection to competitive programs. Our students earned more than \$77.0 million in scholarships in 2017. Tempe Union is home to twenty nine 2019 National Merit scholarship semi-finalists. In school year 2018-19, Tempe Union students were enrolled in: 40 Advanced Placement courses; 157 Gifted/Honors courses (which included 22 IB and 29 Peggy Payne Gifted Academy courses); and 19 Career and Technical Education programs. Many of the District's sports teams advanced to the state playoffs. Sixty-one percent of teachers hold a master's degree or above and 53 percent of teachers have 10 or more years of experience.

All teachers are certified by the Arizona Department of Education. The District's schools meet stringent accreditation criteria from AdvanceED. In school year 2018-19, two of our comprehensive high schools earned a State 'A' rating and three of our comprehensive high schools earned a State 'B' rating. Three of our schools have the Arizona Education Foundation A+ award of excellence rating.

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

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

FACTORS AFFECTING FINANCIAL CONDITION

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

Local Economy. Maricopa County is located in the south-central portion of Arizona. Its boundaries encompass the cities of Phoenix, Scottsdale, Mesa, Tempe, Glendale, Chandler and such towns as Gilbert, Paradise Valley and Fountain Hills. According to the Arizona Office of Economic Opportunity, at July 1, 2019, Maricopa County contained 60.1 percent of the State's total population of approximately 7.2 million (<https://population.az.gov>). The County occupies 9,224 square miles making it the 14th largest county in land area in the United States.

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

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

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

Long-term Financial Planning. The District student population declined by approximately 2% in 2018-19. The District plans on continuing its marketing efforts to retain current students and attract new students. Current school facilities are of adequate size to meet student needs.

In November 2015, District voters approved a seven year capital override of \$6.5 million per year. Fiscal year 2019-20 will be year four of seven of the capital override at \$6.5 million per year.

In November 2017, District voters approved increasing the maintenance and operations override up to 15 percent starting in fiscal year 2018-19. The planned maintenance and operation override percent phase in schedule is as follows: 12 % in fiscal year 2018-19; 13% in fiscal year 2019-20; 14% in fiscal year 2020-21, and 15% in fiscal years 2021-22 and 2022-23.

Major Initiatives.

- Increase the number of students going on to higher education.
- Continue efforts to close the achievement gap among all students.
- Continue to promote the District through our marketing and communication plan.
- Continue to expand educational opportunities for our students through alternative programs, academies and on-line courses.
- Continue a business partnership program to increase opportunities for additional resources.
- Continue research and identify non-traditional revenue resources.
- Continue to solicit and utilize recommendations from community, business and education partners to create cost-saving opportunities for all entities.
- Recruiting and retaining highly-effective and diverse staff.

To learn more about our District, please visit our website located at <http://www.tuhsd.k12.az.us>.

AWARDS AND ACKNOWLEDGMENTS

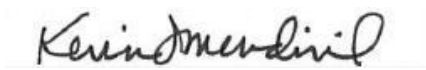
Awards. The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2018. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2018. In order to be awarded these certificates, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

These certificates are valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the programs' requirements and we are submitting it to ASBO and GFOA to determine its eligibility for the fiscal year ended June 30, 2019 certificates.

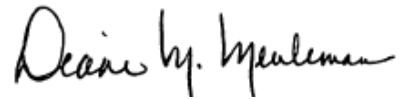
Acknowledgments. The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the finance department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

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,

A handwritten signature in black ink, reading "Kevin J. Mendivil". The signature is written in a cursive style with a large, stylized "K" and "M".

Dr. Kevin J. Mendivil
Superintendent

A handwritten signature in black ink, reading "Diane M. Meulemans". The signature is written in a cursive style with a large, stylized "D" and "M".

Diane M. Meulemans, CPA
Assistant Superintendent for
Business Services



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

Tempe Union High School District No. 213

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

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



A handwritten signature in black ink, reading 'Tom Wohlleber'.

Tom Wohlleber, CSRM
President

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

David J. Lewis
Executive Director



Government Finance Officers Association

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

Presented to

**Tempe Union High School
District No. 213, Arizona**

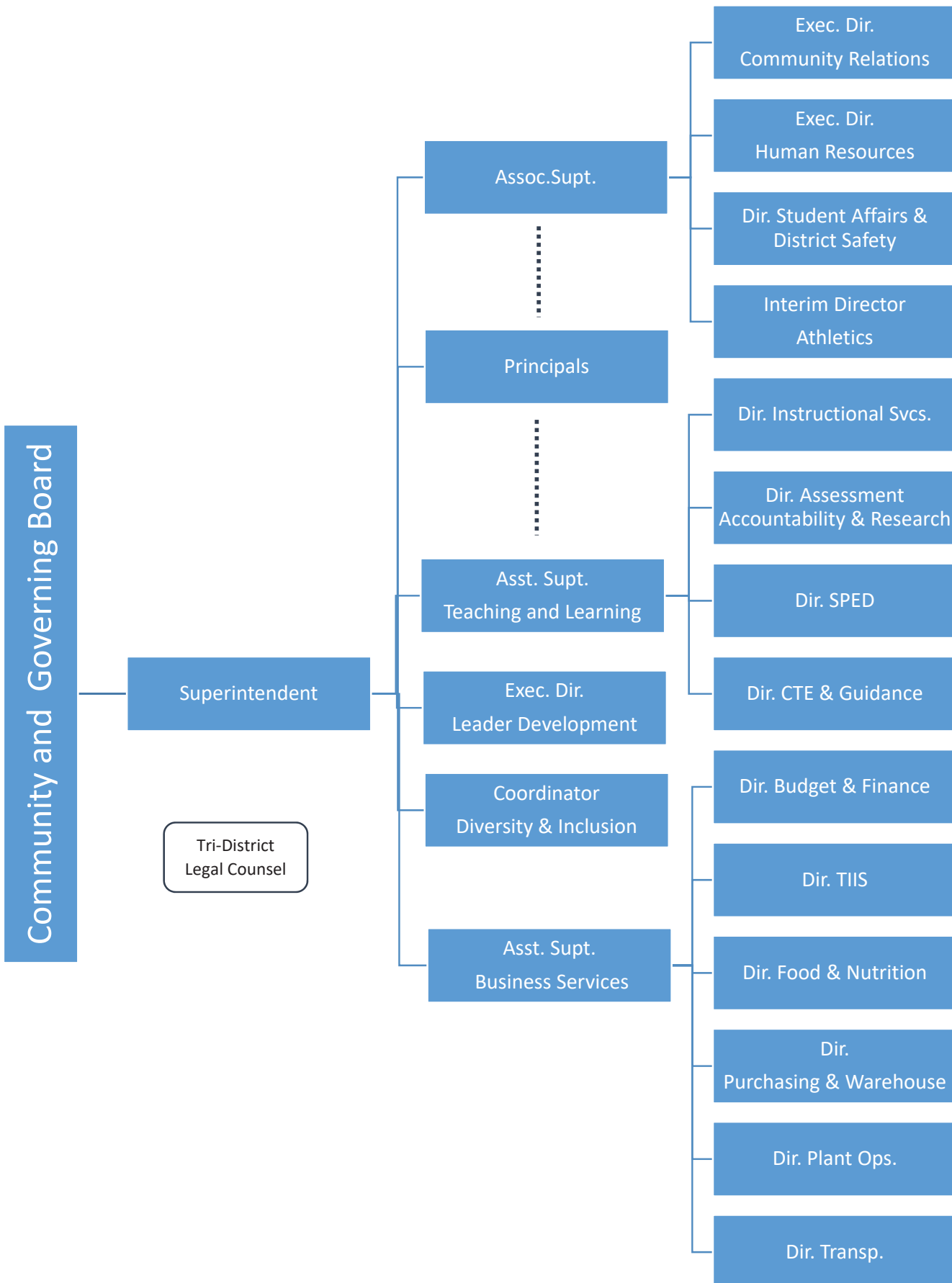
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrell

Executive Director/CEO

Tempe Union High School District Organizational Chart 2018 - 2019



TEMPE UNION HIGH SCHOOL DISTRICT NO. 213

LIST OF PRINCIPAL OFFICIALS

GOVERNING BOARD

Berdetta Hodge, President

Brian Garcia, Vice President

Andres Barraza, Member

Michelle Helm, Member

Sandy Lowe, Member

ADMINISTRATIVE STAFF

Dr. Kevin J. Mendivil, Superintendent

Dr. Stacia Wilson, Associate Superintendent

Diane M. Meulemans, CPA, Assistant Superintendent for Business Services

Roland Carranza, Director of Finance and Budget

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Governing Board
Tempe Union High School District No. 213

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tempe Union High School District No. 213 (District), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Tempe Union High School District No. 213, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2019, on our consideration of Tempe Union High School District No. 213'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 Tempe Union High School District No. 213'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 Tempe Union High School District No. 213's internal control over financial reporting and compliance.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Phoenix, Arizona
December 20, 2019

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

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**TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

As management of the Tempe Union High School District No. 213 (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2019. The management's discussion and analysis is presented as required supplementary information to supplement the basic financial statements. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

- The District's total net position of governmental activities increased \$31.9 million which represents an 30 percent increase from the prior fiscal year primarily as a result of the gain on the sale of land, an increase in state aid, and the net effect of pension items and related deferred outflows of resources.
- General revenues accounted for \$117.0 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 \$23.7 million or 15 percent of total current fiscal year revenues. The gain on sale of land resulted in a special item of \$18.3 million which accounted for 11 percent of current fiscal year revenues.
- The District had approximately \$127.0 million in expenses related to governmental activities, an increase of three percent from the prior fiscal year.
- Among major funds, the General Fund had \$98.1 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$93.3 million in expenditures. The General Fund's fund balance increase from \$27.5 million at the prior fiscal year end to \$55.0 million at the end of the current fiscal year was primarily due to the sale of land for \$22.8 million, an increase in state aid and an increase in property tax revenues.
- The Debt Service Fund had \$7.6 million in current fiscal year revenues, which primarily consisted of property taxes, and \$7.6 million in expenditures. The Debt Service Fund's fund balance increased from \$311,430 at the prior fiscal year end to \$490,160 at the end of the current fiscal year.
- Net position for the Internal Service Funds decreased \$471,921 from the prior fiscal year. Operating expenses of \$11.1 million exceeded operating revenues of \$10.7 million at the end of the current fiscal year.

**TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

OVERVIEW OF FINANCIAL STATEMENTS

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

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

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

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

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

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

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

**TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

OVERVIEW OF FINANCIAL STATEMENTS

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

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

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

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

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

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

**TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

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 \$140.0 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.

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

	As of June 30, 2019	As of June 30, 2018
Current and other assets	\$ 129,854,225	\$ 104,084,376
Capital assets, net	203,199,739	208,567,003
Total assets	<u>333,053,964</u>	<u>312,651,379</u>
Deferred outflows	<u>15,761,792</u>	<u>14,869,871</u>
Current and other liabilities	7,103,430	5,853,979
Long-term liabilities	187,612,722	206,478,875
Total liabilities	<u>194,716,152</u>	<u>212,332,854</u>
Deferred inflows	<u>14,137,806</u>	<u>7,172,464</u>
Net position:		
Net investment in capital assets	115,493,465	121,605,994
Restricted	45,518,642	40,191,158
Unrestricted	(21,050,309)	(53,781,220)
Total net position	<u>\$ 139,961,798</u>	<u>\$ 108,015,932</u>

At the end of the current fiscal year, the District reported positive balances in two categories of net position. Unrestricted net position, which is normally used to meet the District's mission, reported a deficit of \$21.1 million. The deficit is due to the District's proportionate share of the state pension plan's unfunded liability. The same situation held true for the prior fiscal year.

**TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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.

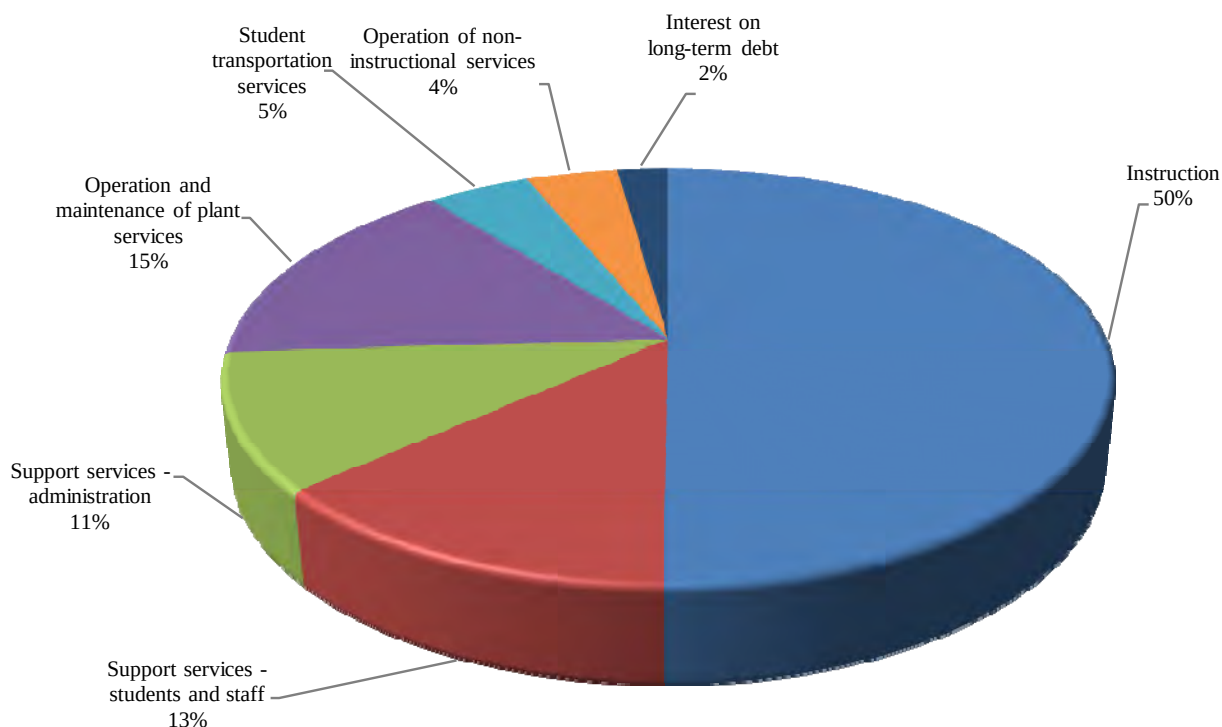
- The addition of \$3.2 million in capital assets primarily through purchases of vehicles, furniture, and equipment, and building improvements, and the addition of \$8.4 million in accumulated depreciation through current year depreciation expense.
- The gain on the sale of land of \$18.3 million.
- The principal retirement of \$4.7 million of school improvement bonds.
- The decrease of \$14.4 million in pension liabilities.

	Fiscal Year Ended June 30, 2019	Fiscal Year Ended June 30, 2018
Revenues:		
Program revenues:		
Charges for services	\$ 14,691,213	\$ 12,200,343
Operating grants and contributions	8,655,921	8,733,345
Capital grants and contributions	327,464	998,403
General revenues:		
Property taxes	84,286,159	83,967,635
Investment income	1,712,495	699,510
Unrestricted county aid	1,025,537	767,823
Unrestricted state aid	29,656,923	25,540,003
Unrestricted federal aid	308,968	501,676
Special item – gain on sale of land	18,288,802	
Total revenues	<u>158,953,482</u>	<u>133,408,738</u>
Expenses:		
Instruction	63,658,829	60,514,901
Support services - students and staff	16,972,051	15,631,953
Support services - administration	13,338,848	13,720,130
Operation and maintenance of plant services	19,545,162	19,119,283
Student transportation services	5,685,621	5,832,616
Operation of non-instructional services	5,042,969	5,052,187
Interest on long-term debt	2,764,136	2,878,085
Total expenses	<u>127,007,616</u>	<u>122,749,155</u>
Changes in net position	31,945,866	10,659,583
Net position, beginning	108,015,932	97,356,349
Net position, ending	<u>\$ 139,961,978</u>	<u>\$ 108,015,932</u>

**TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Expenses - Fiscal Year 2019



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

- The proceeds from the sale of land resulting in a gain on the sale of land of \$18.3 million.
- An increase in charges for services of \$2.5 million due primarily to an increase in Career Technical Education funding.
- An increase in state aid of \$4.1 million due to legislation that was passed to fund an increase for teachers' pay.
- An increase of \$3.1 million in instruction expense due to legislation that was passed to fund an increase for teachers' pay.

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.

**TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

	Year Ended June 30, 2019		Year Ended June 30, 2018	
	Total Expenses	Net (Expense)/ Revenue	Total Expenses	Net (Expense)/ Revenue
Instruction	\$ 63,658,829	\$ (51,869,684)	\$ 60,514,901	\$ (51,482,484)
Support services - students and staff	16,972,051	(12,159,951)	15,631,953	(10,776,589)
Support services - administration	13,338,848	(12,814,380)	13,720,130	(12,965,026)
Operation and maintenance of plant services	19,545,162	(17,983,603)	19,119,283	(16,958,102)
Student transportation services	5,685,621	(5,682,503)	5,832,616	(5,617,402)
Operation of non-instructional services	5,042,969	(58,761)	5,052,187	(139,376)
Interest on long-term debt	2,764,136	(2,764,136)	2,878,085	(2,878,085)
Total	<u>\$ 127,007,616</u>	<u>\$(103,333,018)</u>	<u>\$ 122,749,155</u>	<u>\$ (100,817,064)</u>

- The cost of all governmental activities this year was \$127.0 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$23.7 million.
- Net cost of governmental activities of \$103.3 million was financed by general revenues, which are made up of primarily property taxes of \$84.3 million and state and county aid of \$30.7 million. Investment earnings accounted for \$1.7 million of funding.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$101.3 million, an increase of \$32.3 million due primarily to the proceeds received from the sale of land of \$22.8 million, an increase in property tax revenues due to an increase in the values of properties surrounding the District, and an increase in state aid due to passed legislation to increase teachers' pay.

**TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The General Fund comprises 54 percent of the total fund balance. Approximately \$54.0 million, or 98 percent of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District. The increase in fund balance of \$27.8 million to \$55.0 million as of fiscal year end was primarily due to the proceeds from the sale of land of \$22.8 million and an increase in property tax revenues and state aid. Revenues of the General Fund increased \$7.6 million from the prior fiscal year and expenditures increased by \$7.9 million. The increase in revenues was primarily due to an increase in property taxes as a result of increased values of properties surrounding the District and state aid due to passed legislation to increase teachers' pay. Increased expenditures were primarily due to increases in teachers' pay and other salary increases.

The Debt Service Fund had \$7.6 million in fiscal year revenues, which consisted primarily of property taxes and \$ 7.6 million in expenditures. The Debt Service Fund's fund balance increased \$178,730 to \$490,160 at current fiscal year end.

Proprietary funds. Unrestricted net position of the Internal Service Fund at the end of the fiscal year amounted to \$11.5 million. Net position decreased \$471,921 from the prior year.

BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the General Fund annual expenditure budget to account for an increase in prior year budget carryover. The difference between the original budget and the final amended budget was a \$1.1 million increase, or one percent.

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

- The favorable variances of \$5.5 million in instruction and \$1.7 million in support services – students and staff were a result of efforts to grow and maintain the budget carryover for reserve purposes.

**TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At year end, the District had invested \$328.6 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net decrease prior to depreciation of \$2.1 million from the prior fiscal year due to the sale of land. Total depreciation expense for the current fiscal year was \$8.4 million.

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

	As of June 30, 2019	As of June 30, 2018
Capital assets - non-depreciable	\$ 9,675,141	\$ 14,244,886
Capital assets - depreciable, net	193,524,598	198,822,117
Total	<u>\$ 203,199,739</u>	<u>\$ 213,067,003</u>

The estimated cost to complete current construction projects is \$422,988.

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

Debt Administration. At year end, the District had \$90.7 million in long-term debt outstanding, \$4.7 million due within one year. The long-term debt decreased by \$4.7 million.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 15 percent of the total net full cash assessed valuation) and the statutory debt limit on Class B bonds (the greater of 10 percent of the net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$671.7 million and the Class B debt limit is \$447.8 million, which is more than the respective outstanding debt.

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

**TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2019-20 budget. Among them:

- Fiscal year 2018-19 budget balance carry forward (estimated \$6.0 million).
- District student population (estimated 13,704).
- Teacher compensation increase of \$7,549 (fixed amount added to certified teacher salary schedule).
- 10% teacher compensation funding provided by the state legislature (year one of a three year plan to increase teacher pay by 20% by fiscal year 2021).
- 2% M&O override funding increase (year one of a four year plan to increase the M&O override from 10% to 15% by fiscal year 2022)
- 6% compensation increase for all other non-certified salary schedule staff.

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

Budgeted expenditures in the General Fund increased five percent to \$108.1 million in fiscal year 2019-20 due to the M&O budget carryforward and legislation that was passed to increase teachers' pay. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2019-20 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 Finance Department, Tempe Union High School District No. 213, 500 West Guadalupe Road, Tempe, Arizona 85283.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
STATEMENT OF NET POSITION
JUNE 30, 2019

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 111,797,403
Property taxes receivable	5,123,580
Deposits held by others	60,880
Accounts receivable	544,549
Due from governmental entities	11,114,886
Prepaid items	970,204
Total current assets	<u>129,611,502</u>
Noncurrent assets:	
Net other postemployment benefit assets	242,723
Capital assets not being depreciated	9,675,141
Capital assets, net of accumulated depreciation	<u>193,524,598</u>
Total noncurrent assets	<u>203,442,462</u>
Total assets	<u>333,053,964</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred charge on refunding	1,282,250
Pension and other postemployment benefit plan items	<u>14,479,542</u>
Total deferred outflows of resources	<u>15,761,792</u>
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	1,541,169
Construction contracts payable	1,193,567
Claims payable	1,377,146
Accrued payroll and employee benefits	1,481,524
Compensated absences payable	840,331
Accrued interest payable	1,453,197
Unearned revenues	56,827
Bonds payable	<u>4,655,000</u>
Total current liabilities	<u>12,598,761</u>
Noncurrent liabilities:	
Non-current portion of long-term obligations	<u>182,117,391</u>
Total noncurrent liabilities	<u>182,117,391</u>
Total liabilities	<u>194,716,152</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Pension and other postemployment benefit plan items	<u>14,137,806</u>
<u>NET POSITION</u>	
Net investment in capital assets	115,493,465
Restricted	45,518,642
Unrestricted	<u>(21,050,309)</u>
Total net position	<u>\$ 139,961,798</u>

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 63,658,829	\$ 8,239,334	\$ 3,222,347	\$ 327,464	\$ (51,869,684)
Support services - students and staff	16,972,051	1,568,858	3,243,242		(12,159,951)
Support services - administration	13,338,848	287,742	236,726		(12,814,380)
Operation and maintenance of plant services	19,545,162	779,802	781,757		(17,983,603)
Student transportation services	5,685,621		3,118		(5,682,503)
Operation of non-instructional services	5,042,969	3,815,477	1,168,731		(58,761)
Interest on long-term debt	2,764,136				(2,764,136)
Total governmental activities	<u>\$ 127,007,616</u>	<u>\$ 14,691,213</u>	<u>\$ 8,655,921</u>	<u>\$ 327,464</u>	<u>(103,333,018)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	70,182,528
Property taxes, levied for debt service	7,574,480
Property taxes, levied for capital outlay	6,529,151
Investment income	1,712,495
Unrestricted county aid	1,025,537
Unrestricted state aid	29,656,923
Unrestricted federal aid	308,968
Special item - Special item - gain on sale of capital assets	<u>18,288,802</u>

Total general revenues and special items 135,278,884

Changes in net position 31,945,866

Net position, beginning of year 108,015,932

Net position, end of year \$ 139,961,798

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

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FUND FINANCIAL STATEMENTS

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2019

	<u>General</u>	<u>Debt Service</u>	<u>Non-Major Governmental Funds</u>
<u>ASSETS</u>			
Cash and investments	\$ 48,033,878	\$ 6,499,688	\$ 44,611,589
Property taxes receivable	4,922,591	107,905	93,084
Deposits held by others			45,148
Accounts receivable	35,013		211,941
Due from governmental entities	6,130,340		4,984,546
Due from other funds	837,130		
Prepaid items	970,204		
Total assets	<u><u>\$ 60,929,156</u></u>	<u><u>\$ 6,607,593</u></u>	<u><u>\$ 49,946,308</u></u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 814,693	\$	\$ 643,875
Construction contracts payable			1,193,567
Due to other funds			837,130
Accrued payroll and employee benefits	939,701		541,823
Unearned revenues			56,827
Bonds payable		4,655,000	
Bond interest payable		1,453,197	
Total liabilities	<u><u>1,754,394</u></u>	<u><u>6,108,197</u></u>	<u><u>3,273,222</u></u>
Deferred inflows of resources:			
Unavailable revenues - property taxes	4,215,901	9,236	61,597
Unavailable revenues - intergovernmental			735,992
Total deferred inflows of resources	<u><u>4,215,901</u></u>	<u><u>9,236</u></u>	<u><u>797,589</u></u>
Fund balances (deficits):			
Nonspendable	970,204		
Restricted		490,160	46,630,207
Unassigned	53,988,657		(754,710)
Total fund balances	<u><u>54,958,861</u></u>	<u><u>490,160</u></u>	<u><u>45,875,497</u></u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 60,929,156</u></u>	<u><u>\$ 6,607,593</u></u>	<u><u>\$ 49,946,308</u></u>

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

Total
Governmental
Funds

\$	99,145,155
	5,123,580
	45,148
	246,954
	11,114,886
	837,130
	970,204
\$	<u>117,483,057</u>

\$	1,458,568
	1,193,567
	837,130
	1,481,524
	56,827
	4,655,000
	<u>1,453,197</u>
	<u>11,135,813</u>

	4,286,734
	<u>735,992</u>
	<u>5,022,726</u>

	970,204
	47,120,367
	<u>53,233,947</u>
	<u>101,324,518</u>

\$	<u>117,483,057</u>
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TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2019

Total governmental fund balances	\$	101,324,518
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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	\$ 328,578,480	
Less accumulated depreciation	<u>(125,378,741)</u>	203,199,739

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

Property taxes	4,286,734	
Intergovernmental	<u>735,992</u>	5,022,726

Deferred items related to the net cost of issuance of bonds are amortized over the life of the associated bond issue in the government-wide statements but not reported in the funds.	1,282,250
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Deferred outflows and inflows of resources related to pensions/OPEB are applicable to future periods and, therefore, are not reported in the funds.

Deferred outflows of resources related to pensions/OPEB	14,479,542	
Deferred inflows of resources related to pensions/OPEB	<u>(14,137,806)</u>	341,736

The Net OPEB asset is not a current financial resource and, therefore, is not reported in the funds.	242,723
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The Internal Service Fund is used by management to charge the cost of insurance to the individual funds. The assets and liabilities of the Internal Service Fund are included in the Statement of Net Position.	11,505,828
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Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Compensated absences payable	(3,015,387)	
Net OPEB liability	(350,987)	
Net pension liability	(93,586,464)	
Bonds payable	<u>(86,004,884)</u>	<u>(182,957,722)</u>

Net position of governmental activities	\$	<u>139,961,798</u>
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The notes to the basic financial statements are an integral part of this statement.

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

	General	Debt Service	Non-Major Governmental Funds
Revenues:			
Other local	\$ 3,805,623	\$ 17,218	\$ 14,605,862
Property taxes	73,092,165	7,627,371	6,529,555
State aid and grants	20,843,965		10,360,571
Federal aid, grants and reimbursements	308,968		6,220,897
Total revenues	<u>98,050,721</u>	<u>7,644,589</u>	<u>37,716,885</u>
Expenditures:			
Current -			
Instruction	49,054,206		12,894,345
Support services - students and staff	12,766,051		5,023,773
Support services - administration	12,385,767		445,840
Operation and maintenance of plant services	14,402,446		1,219,816
Student transportation services	3,986,153		147,995
Operation of non-instructional services	686,953		4,066,177
Capital outlay	53,214		9,027,615
Debt service -			
Principal retirement		4,655,000	
Interest and fiscal charges		2,914,244	
Total expenditures	<u>93,334,790</u>	<u>7,569,244</u>	<u>32,825,561</u>
Excess (deficiency) of revenues over expenditures	<u>4,715,931</u>	<u>75,345</u>	<u>4,891,324</u>
Other financing sources (uses):			
Transfer in	213,851	103,385	
Transfer out			(317,236)
Proceeds from sale of capital assets	22,788,802		
Insurance recoveries	57,544		
Total other financing sources (uses)	<u>23,060,197</u>	<u>103,385</u>	<u>(317,236)</u>
Changes in fund balances	<u>27,776,128</u>	<u>178,730</u>	<u>4,574,088</u>
Fund balances, beginning of year	27,516,191	311,430	41,301,409
Increase (decrease) in reserve for prepaid items	(333,458)		
Fund balances, end of year	<u>\$ 54,958,861</u>	<u>\$ 490,160</u>	<u>\$ 45,875,497</u>

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

Total
Governmental
Funds

\$ 18,428,703
87,249,091
31,204,536
6,529,865
143,412,195

61,948,551
17,789,824
12,831,607
15,622,262
4,134,148
4,753,130
9,080,829

4,655,000
2,914,244
133,729,595

9,682,600

317,236
(317,236)
22,788,802
57,544

22,846,346

32,528,946

69,129,030

(333,458)

\$ 101,324,518

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019

Changes in fund balances - total governmental funds **\$ 32,528,946**

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

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

Expenditures for capitalized assets	\$ 3,217,485	
Less current year depreciation	<u>(8,446,840)</u>	(5,229,355)

Proceeds from the sale of land provides current financial resources to governmental funds, but the sale decreases land value in the Statement of Net Position.		(4,500,000)
--	--	-------------

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

Property taxes	(2,962,932)	
Intergovernmental	<u>156,345</u>	(2,806,587)

Repayments of bond principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		4,655,000
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Governmental funds report pension/OPEB contributions as expenditures. However, they are reported as deferred outflows of resources in the Statement of Net Position. The change in the net pension/OPEB liability, adjusted for deferred items, is reported as pension/OPEB expense in the Statement of Activities.

Current year pension/OPEB contributions	8,694,565	
Pension/OPEB expense	<u>(498,719)</u>	8,195,846

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

Prepaid items	(333,458)	
Deferred charges on issuance of debt	(142,472)	
Loss on disposal of assets	(137,909)	
Amortization of deferred bond items	292,580	
Compensated absences	<u>(104,804)</u>	(426,063)

The Internal Service Fund is used by management to charge the cost of insurance to the individual funds. The changes in net position of the Internal Service Fund is reported with governmental activities in the Statement of Activities.		<u>(471,921)</u>
--	--	------------------

Changes in net position in governmental activities **\$ 31,945,866**

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2019

	Governmental Activities: Internal Service Funds
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 12,652,248
Cash held by trustee	15,732
Accounts receivable	297,595
Total current assets	<u>12,965,575</u>
Total assets	<u><u>12,965,575</u></u>
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	82,601
Claims payable	1,377,146
Total current liabilities	<u>1,459,747</u>
Total liabilities	<u><u>1,459,747</u></u>
<u>NET POSITION</u>	
Unrestricted	11,505,828
Total net position	<u><u>\$ 11,505,828</u></u>

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	Governmental Activities: Internal Service Funds
Operating revenues:	
Contributions	\$ 10,670,356
Total operating revenues	<u>10,670,356</u>
Operating expenses:	
Claims	9,362,063
Premiums	1,127,212
Administrative Fees	654,530
Total operating expenses	<u>11,143,805</u>
Operating income (loss)	<u>(473,449)</u>
Nonoperating revenues (expenses):	
Investment income	1,528
Total nonoperating revenues (expenses)	<u>1,528</u>
Changes in net position	<u>(471,921)</u>
Total net position, beginning of year	11,977,749
Total net position, end of year	<u><u>\$ 11,505,828</u></u>

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2019

	Governmental Activities: Internal Service Funds
<u>Increase/Decrease in Cash and Cash Equivalents</u>	
Cash flows from operating activities:	
Cash received from contributions	\$ 10,868,385
Cash payments to suppliers for goods and services	(1,702,934)
Cash payments for claims	(8,705,955)
Net cash provided by/used for operating activities	459,496
Cash flows from investing activities:	
Investment income	1,528
Net cash provided by/used for investing activities	1,528
Net increase/decrease in cash and cash equivalents	461,024
Cash and cash equivalents, beginning of year	12,191,224
Cash and cash equivalents, end of year	\$ 12,652,248
<u>Reconciliation of Operating Income/Loss to Net Cash Provided by/Used for Operating Activities</u>	
Operating income/loss	\$ (473,449)
Adjustments to reconcile operating income/loss to net cash provided by/used for operating activities:	
Changes in assets and liabilities:	
Increase/decrease in deposits	837
Increase/decrease in accounts receivable	198,029
Increase/decrease in accounts payable	77,971
Increase/decrease in claims payable	656,108
Total adjustments	932,945
Net cash provided by/used for operating activities	\$ 459,496

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2019

	<u>Agency</u>
<u>ASSETS</u>	
Cash and investments	\$ 1,510,094
Total assets	<u>\$ 1,510,094</u>
<u>LIABILITIES</u>	
Accounts payable	\$ 48,369
Due to student groups	1,461,725
Total liabilities	<u>\$ 1,510,094</u>

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Tempe Union High School District No. 213 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

A. Reporting Entity

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

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

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

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Government-Wide and Fund Financial Statements

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

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

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

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

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

The District reports the following major governmental funds:

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Additionally, the District reports the following fund types:

Proprietary Fund – The Proprietary Fund is an Internal Service Fund that accounts for the financing of the District's self-insurance for employee benefits.

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

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

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

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

D. Cash and Investments

For purposes of the Statement of Cash Flows, the District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents at year end were cash in bank, money market accounts and certificates of deposit.

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.

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

E. Investment Income

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

F. Receivables and Payables

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

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

G. Property Tax Calendar

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

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

H. Prepaid Items

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

I. Capital Assets

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

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

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

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

Land improvements	10 - 75 years
Buildings and improvements	5 - 75 years
Vehicles, furniture and equipment	5 - 25 years

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

J. Deferred Outflows/Inflows of Resources

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

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

K. Compensated Absences

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

L. Pensions and Other Postemployment Benefits

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

M. Long-term Obligations

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

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.

N. Interfund Activity

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

O. Net Position Flow Assumption

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

P. Estimates

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

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

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, accordingly, no committed fund balance amounts are reported.

Assigned. Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Governing Board or a management official delegated that authority by the formal Governing Board action. The District does not have a formal policy for the utilization of assigned fund balance, accordingly, no assigned fund balance amounts are reported.

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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

	General Fund	Debt Service Fund	Non-Major Governmental Funds
Fund Balances:			
Nonspendable:			
Prepaid items	\$ 970,204	\$	\$
Restricted:			
Debt service		490,160	
Capital projects			10,415,515
Bond building projects			1,671,360
Voter approved initiatives			6,959,711
Federal and state projects			1,881,906
Food service			237,854
Civic center			2,310,691
Community schools			6,100,435
Auxiliary operations			3,195,114
Extracurricular activities			1,206,580
Career technical education			11,141,643
Other purposes			1,509,398
Unassigned	53,988,657		(754,710)
Total fund balances	<u>\$ 54,958,861</u>	<u>\$ 490,160</u>	<u>\$ 45,875,497</u>

NOTE 3 – RESTRICTED NET POSITION

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

	Governmental Activities
Restricted Net Position:	
Debt service	\$ 499,396
Capital projects	10,447,112
Voter approved initiatives	6,959,711
Federal and state projects	1,880,708
Food service	237,854
Civic center	2,310,691
Community school	6,100,435
Auxiliary operations	3,195,114
Extracurricular activities	1,206,580
Career technical education	11,141,643
Other local initiatives	1,509,398
Total	<u>\$ 45,488,642</u>

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 4 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

	<u>Deficit</u>
Non-Major Governmental Funds:	
Title I Grants	\$ 199,134
Professional Development and Technology Grants	166,585
Title IV Grants	4,429
Limited English and Immigrant Students	1,837
Special Education Grants	260,760
Johnson O'Malley	687
Vocational Education	102,560
Building Renewal Grant	17,520

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

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

NOTE 5 – CASH AND INVESTMENTS

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure the District's deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District's deposits was \$12,935,327, and the bank balance was \$13,958,964. At year end, \$13,208,962 of the District's deposits were covered by collateral held by the pledging financial institution in the District's name. In addition, \$15,732 was a deposit held with a trustee.

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 5 – CASH AND INVESTMENTS

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

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

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer's investment pool	318 days	\$100,372,170

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.

NOTE 6 – RECEIVABLES

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

	<u>General Fund</u>	<u>Non-Major Governmental Funds</u>
Due from other governmental entities:		
Due from federal government	\$ 51,568	\$ 1,029,684
Due from state government	6,078,772	1,594,447
Due from other districts		2,360,415
Net due from governmental entities	<u>\$ 6,130,340</u>	<u>\$ 4,984,546</u>

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 7 – CAPITAL ASSETS

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

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 13,929,735	\$	\$ 4,500,000	\$ 9,429,735
Construction in progress	315,151	267,565	337,310	245,406
Total capital assets, not being depreciated	<u>14,244,886</u>	<u>267,565</u>	<u>4,837,310</u>	<u>9,675,141</u>
Capital assets, being depreciated:				
Land improvements	31,944,241			31,944,241
Buildings and improvements	246,383,847	1,560,421	23,285	247,920,983
Vehicles, furniture and equipment	38,118,498	1,726,809	807,192	39,038,115
Total capital assets being depreciated	<u>316,446,586</u>	<u>3,287,230</u>	<u>830,477</u>	<u>318,903,339</u>
Less accumulated depreciation for:				
Land improvements	(18,121,073)	(1,205,813)		(19,326,886)
Buildings and improvements	(78,242,630)	(5,403,930)	(6,908)	(83,639,652)
Vehicles, furniture and equipment	<u>(21,260,766)</u>	<u>(1,837,097)</u>	<u>(685,660)</u>	<u>(22,412,203)</u>
Total accumulated depreciation	<u>(117,624,469)</u>	<u>(8,446,840)</u>	<u>(692,568)</u>	<u>(125,378,741)</u>
Total capital assets, being depreciated, net	<u>198,822,117</u>	<u>(5,159,610)</u>	<u>137,909</u>	<u>193,524,598</u>
Governmental activities capital assets, net	<u>\$ 213,067,003</u>	<u>\$ (4,892,045)</u>	<u>\$ 4,975,219</u>	<u>\$ 203,199,739</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$2,941,676
Support services – students and staff	100,153
Support services – administration	633,283
Operation and maintenance of plant services	4,092,837
Student transportation services	651,366
Operation of non-instructional services	27,525
Total depreciation expense – governmental activities	<u>\$8,446,840</u>

Construction Commitments – At year end, the District had contractual commitments related to a school site security renovation projects. At year end the District had spent \$245,406 on the project and had estimated remaining contractual commitments of \$422,988. This project is being funded with funds from the Unrestricted Capital Outlay Fund.

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

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.

NOTE 9 – GENERAL OBLIGATION BONDS PAYABLE

Bonds payable at year end, consisted of the following outstanding general obligation bonds. The bonds are callable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay the bonded debt.

Purpose	Original Amount Issued	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2019	Due Within One Year
Governmental activities:					
School Improvement Bonds, Project of 2012, Series A (Class B)	\$ 33,000,000	2.0-3.0%	7/1/19-32	\$ 28,000,000	\$ 1,000,000
School Improvement Bonds, Project of 2012, Series B (Class B)	12,475,000	2.0-3.0%	7/1/19-32	9,805,000	535,000
School Improvement Bonds, Project of 2012, Series C (Class B)	29,525,000	2.0-4.0%	7/1/19-33	26,375,000	1,100,000
Refunding bonds, Series 2016	23,400,000	2.0-4.0%	7/1/19-28	23,400,000	2,020,000
Total				<u>\$ 87,580,000</u>	<u>\$ 4,655,000</u>

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

		Governmental Activities	
Year ending June 30:		Principal	Interest
	2020	\$ 4,655,000	\$ 2,854,345
	2021	4,755,000	3,739,770
	2022	4,905,000	2,619,270
	2023	5,010,000	2,468,995
	2024	5,180,000	2,313,745
	2025-29	28,370,000	9,052,192
	2030-34	34,705,000	3,441,626
Total		<u>\$ 87,580,000</u>	<u>\$ 26,489,943</u>

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 10 – CHANGES IN LONG-TERM LIABILITIES

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 91,995,000	\$	\$ 4,415,000	\$ 87,580,000	\$ 4,655,000
Premium	3,372,464		292,580	3,079,884	
Total bonds payable	95,367,464		4,707,580	90,659,884	4,655,000
Net OPEB liability	251,168	99,819		350,987	
Net pension liability	107,949,660		14,363,196	93,586,464	
Compensated absences payable	2,910,583	905,176	800,372	3,015,387	840,331
Governmental activity long-term liabilities	<u>\$ 206,478,875</u>	<u>\$ 1,004,995</u>	<u>\$ 19,871,148</u>	<u>\$ 187,612,722</u>	<u>\$ 5,495,331</u>

Generally, resources from the General Fund are used to liquidate the pension liability.

NOTE 11 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Due to/from other funds – At year end, several non-major governmental funds had negative cash balances of \$837,130 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 between funds were used to (1) move investment income and premium of \$103,385 earned in the Bond Building Fund that is required by statute to be expended in the Debt Service Fund and (2) to move federal grant funds of \$213,951 restricted for indirect costs.

NOTE 12 – CONTINGENT LIABILITIES

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 12 – CONTINGENT LIABILITIES

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

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

NOTE 13 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District also continues to carry commercial insurance for dental and life. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

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.

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 13 – RISK MANAGEMENT

The District established an Employee Benefits Trust Fund (an Internal Service Fund) to account for and finance its uninsured risks of loss related to health claims. The Fund was established in 1986, however in recent years the District was not self-insured for employee health claims until July 1, 2012. Under this program, the Fund provides coverage for up to a maximum of \$150,000 for each claim not to exceed an annual aggregate of \$11,653,270. The Fund purchases commercial insurance for claims in excess of this coverage. Settled claims did not exceed this coverage in the current fiscal year.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate.

Changes in the balances of claims liabilities during the past two years are as follows:

	Claims Payable Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	Claims Payable at End of Year
<u>Employee Benefit Trust</u>				
2018-19	\$ 721,038	\$ 9,362,063	\$ 8,705,955	\$ 1,377,146
2017-18	570,127	9,120,094	8,969,183	721,038

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

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

	Pension	OPEB
Net assets	\$	\$ (242,723)
Net liability	93,586,464	350,987
Deferred outflows of resources	13,469,616	1,009,926
Deferred inflows of resources	13,384,960	752,846
Expense	128,230	370,489
Contributions	8,237,731	456,834

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	

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

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

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

Contributions. In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.80 percent (11.64 percent for retirement and 0.16 percent for long-term disability) of the members' annual covered payroll, and the District was required by statute to contribute at the actuarially determined rate of 11.80 percent (11.18 percent for retirement, 0.46 percent for health insurance premium benefit, and 0.16 percent for long-term disability) of the active members' annual covered payroll. The District's contributions for the year ended June 30, 2019 were as follows:

	<u>Contributions</u>
Pension	\$ 8,237,731
Health Insurance Premium	338,942
Long-Term Disability	117,892

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

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

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

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

	Net (Assets) Liability	District % Proportion	Increase (Decrease)
Pension	\$ 93,586,464	0.671	(0.019)
Health Insurance Premium	(242,723)	0.674	(0.019)
Long-Term Disability	350,987	0.672	(0.021)

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

	Expense
Pension	\$ 128,230
Health Insurance Premium	244,764
Long-Term Disability	125,725

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

Deferred Outflows of Resources			
	Pension	Health Insurance Premium	Long-Term Disability
Differences between expected and actual experience	\$ 2,578,231	\$	\$ 8,976
Changes of assumptions or other inputs	2,476,469	468,093	76,023
Changes in proportion and differences between contributions and proportionate share of contributions	177,185		
Contributions subsequent to the measurement date	8,237,731	338,942	117,892
Total	<u>\$ 13,469,616</u>	<u>\$ 807,035</u>	<u>\$ 202,891</u>

Deferred Inflows of Resources			
	Pension	Health Insurance Premium	Long-Term Disability
Differences between expected and actual experience	\$ 515,927	\$ 224,023	\$
Changes of assumptions or other inputs	8,297,725		
Net difference between projected and actual earnings on pension investments	2,250,533	484,875	33,996
Changes in proportion and differences between contributions and proportionate share of contributions	2,320,775	1,965	7,987
Total	<u>\$ 13,384,960</u>	<u>\$ 710,863</u>	<u>\$ 41,983</u>

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

Year Ending June 30:	Pension	Health Insurance Premium	Long-Term Disability
2020	\$ (279,432)	\$ (94,426)	\$ (80)
2021	(3,450,473)	(94,427)	(80)
2022	(3,413,893)	(94,427)	(80)
2023	(1,009,277)	8,882	9,026
2024		31,628	10,695
Thereafter			23,535

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

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

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

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

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

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

	Proportionate share of the net (assets) liability		
	1% Decrease	Current Discount Rate	1% Increase
Rate	6.5%	7.5%	8.5%
Pension	\$ 133,409,658	\$ 93,586,464	\$ 60,314,830
Health Insurance Premium	860,023	(242,723)	(1,182,042)
Long-Term Disability	397,766	350,987	305,598

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

REQUIRED SUPPLEMENTARY INFORMATION

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL
YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other local	\$	\$	\$ 2,826,126	\$ 2,826,126
Property taxes			73,092,165	73,092,165
State aid and grants			20,843,965	20,843,965
Total revenues			<u>96,762,256</u>	<u>96,762,256</u>
Expenditures:				
Current -				
Instruction	55,007,571	54,923,667	49,417,810	5,505,857
Support services - students and staff	13,294,569	13,574,569	12,766,051	808,518
Support services - administration	13,387,663	13,896,715	12,151,122	1,745,593
Operation and maintenance of plant services	15,072,690	15,272,690	14,402,209	870,481
Student transportation services	4,108,594	4,208,594	3,936,174	272,420
Operation of non-instructional services	991,209	1,071,209	654,238	416,971
Total expenditures	<u>101,862,296</u>	<u>102,947,444</u>	<u>93,327,604</u>	<u>9,619,840</u>
Changes in fund balances	<u>(101,862,296)</u>	<u>(102,947,444)</u>	<u>3,434,652</u>	<u>106,382,096</u>
Fund balances, beginning of year			20,342,912	20,342,912
Increase (decrease) in reserve for prepaid items			30,306	30,306
Fund balances (deficits), end of year	<u>\$ (101,862,296)</u>	<u>\$ (102,947,444)</u>	<u>\$ 23,807,870</u>	<u>\$ 126,755,314</u>

See accompanying notes to this schedule.

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
ARIZONA STATE RETIREMENT SYSTEM
LAST FIVE FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Measurement date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension (assets) liability	0.67%	0.69%	0.69%	0.69%	0.71%
District's proportionate share of the net pension (assets) liability	\$ 93,586,464	\$ 107,949,660	\$ 111,369,703	\$ 107,716,171	\$ 104,397,847
District's covered payroll	\$ 66,580,881	\$ 67,688,024	\$ 64,596,839	\$ 63,707,208	\$ 63,683,243
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	140.56%	159.48%	172.41%	169.08%	163.93%
Plan fiduciary net position as a percentage of the total pension liability	73.40%	69.92%	67.06%	68.35%	69.49%

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 8,237,731	\$ 7,257,316	\$ 7,296,769	\$ 7,008,757	\$ 6,937,715
Contributions in relation to the actuarially determined contribution	<u>8,237,731</u>	<u>7,257,316</u>	<u>7,296,769</u>	<u>7,008,757</u>	<u>6,937,715</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 73,682,746	\$ 66,580,881	\$ 67,688,024	\$ 64,596,839	\$ 63,707,208
Contributions as a percentage of covered payroll	11.18%	10.90%	10.78%	10.85%	10.89%

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

See accompanying notes to this schedule.

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
ARIZONA STATE RETIREMENT SYSTEM - HEALTH INSURANCE PREMIUM
LAST TWO FISCAL YEARS

	<u>2019</u>	<u>2018</u>
Measurement date	June 30, 2018	June 30, 2017
District's proportion of the net OPEB (assets) liability	0.67%	0.69%
District's proportionate share of the net OPEB (assets) liability	\$ (242,723)	\$ (379,305)
District's covered payroll	\$ 66,580,881	\$ 67,688,024
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	(0.36)%	(0.56)%
Plan fiduciary net position as a percentage of the total OPEB liability	102.20%	103.57%

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

	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 338,941	\$ 292,956
Contributions in relation to the actuarially determined contribution	<u>338,941</u>	<u>292,956</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 73,682,746	\$ 66,580,881
Contributions as a percentage of covered payroll	0.46%	0.44%

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

See accompanying notes to this schedule.

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
ARIZONA STATE RETIREMENT SYSTEM - LONG-TERM DISABILITY
LAST TWO FISCAL YEARS

	<u>2019</u>	<u>2018</u>
Measurement date	June 30, 2018	June 30, 2017
District's proportion of the net OPEB (assets) liability	0.67%	0.69%
District's proportionate share of the net OPEB (assets) liability	\$ 350,987	\$ 251,168
District's covered payroll	\$ 66,580,881	\$ 67,688,024
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	0.53%	0.37%
Plan fiduciary net position as a percentage of the total OPEB liability	77.83%	84.44%

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

	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 117,892	\$ 106,529
Contributions in relation to the actuarially determined contribution	<u>117,892</u>	<u>106,529</u>
Contribution deficiency (excess)	<u><u>\$</u></u>	<u><u>\$</u></u>
District's covered payroll	\$ 73,682,746	\$ 66,580,881
Contributions as a percentage of covered payroll	0.16%	0.16%

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

See accompanying notes to this schedule.

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2019

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

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

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

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

	<u>Total Expenditures</u>	<u>Fund Balances End of Year</u>
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	\$ 93,334,790	\$ 54,958,861
Activity budgeted as special revenue funds	(276,981)	(30,567,408)
Activity budgeted as capital projects funds	(93,969)	(583,583)
Current-year prepaid items	<u>363,764</u>	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	<u>\$ 93,327,604</u>	<u>\$ 23,807,870</u>

NOTE 2 – PENSION AND OPEB PLAN SCHEDULES

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

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

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

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GOVERNMENTAL FUNDS

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2019

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<u>ASSETS</u>			
Cash and investments	\$ 31,278,689	\$ 13,332,900	\$ 44,611,589
Property taxes receivable		93,084	93,084
Deposits held by others	45,148		45,148
Accounts receivable	211,941		211,941
Due from governmental entities	4,978,846	5,700	4,984,546
Total assets	<u><u>\$ 36,514,624</u></u>	<u><u>\$ 13,431,684</u></u>	<u><u>\$ 49,946,308</u></u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 559,930	\$ 1,277,512	\$ 1,837,442
Due to other funds	813,910	23,220	837,130
Accrued payroll and employee benefits	541,823		541,823
Unearned revenues	56,827		56,827
Total liabilities	<u><u>1,972,490</u></u>	<u><u>1,300,732</u></u>	<u><u>3,273,222</u></u>
Deferred inflows of resources:			
Unavailable revenues - property taxes		61,597	61,597
Unavailable revenues - intergovernmental	735,992		735,992
Total deferred inflows of resources	<u><u>735,992</u></u>	<u><u>61,597</u></u>	<u><u>797,589</u></u>
Fund balances (deficits):			
Restricted	34,543,332	12,086,875	46,630,207
Unassigned	(737,190)	(17,520)	(754,710)
Total fund balances	<u><u>33,806,142</u></u>	<u><u>12,069,355</u></u>	<u><u>45,875,497</u></u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 36,514,624</u></u>	<u><u>\$ 13,431,684</u></u>	<u><u>\$ 49,946,308</u></u>

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
YEAR ENDED JUNE 30, 2019

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:			
Other local	\$ 14,078,797	\$ 527,065	\$ 14,605,862
Property taxes		6,529,555	6,529,555
State aid and grants	10,012,449	348,122	10,360,571
Federal aid, grants and reimbursements	<u>6,220,897</u>	<u>6,220,897</u>	<u>6,220,897</u>
Total revenues	<u>30,312,143</u>	<u>7,404,742</u>	<u>37,716,885</u>
Expenditures:			
Current -			
Instruction	12,894,345		12,894,345
Support services - students and staff	5,023,773		5,023,773
Support services - administration	445,840		445,840
Operation and maintenance of plant services	1,219,816		1,219,816
Student transportation services	147,995		147,995
Operation of non-instructional services	4,066,177		4,066,177
Capital outlay	693,808	8,333,807	9,027,615
Total expenditures	<u>24,491,754</u>	<u>8,333,807</u>	<u>32,825,561</u>
Excess (deficiency) of revenues over expenditures	<u>5,820,389</u>	<u>(929,065)</u>	<u>4,891,324</u>
Other financing sources (uses):			
Transfer out	<u>(213,851)</u>	<u>(103,385)</u>	<u>(317,236)</u>
Total other financing sources (uses)	<u>(213,851)</u>	<u>(103,385)</u>	<u>(317,236)</u>
Changes in fund balances	<u>5,606,538</u>	<u>(1,032,450)</u>	<u>4,574,088</u>
Fund balances, beginning of year	28,199,604	13,101,805	41,301,409
Fund balances, end of year	<u>\$ 33,806,142</u>	<u>\$ 12,069,355</u>	<u>\$ 45,875,497</u>

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

Johnson O'Malley - to account for financial assistance received to meet the unique educational needs of eligible Indian children.

Vocational Education - to account for financial assistance received for preparation of individuals for employment or advancement in a career not requiring a baccalaureate or advanced degree.

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

E-Rate - to account for monies received to reimburse the District for broadband internet and telecommunications costs.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Print Shop - to account for revenues of the print shop, which are not presently structured to recover full costs, including depreciation, through user charges.

Intergovernmental Agreements - to account for the financial activities relating to agreements with other governments.

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2019

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>Title I Grants</u>
<u>ASSETS</u>			
Cash and investments	\$ 2,759,698	\$ 2,631,059	\$
Deposits held by others			
Accounts receivable			
Due from governmental entities	1,304,223	284,524	199,134
Total assets	<u><u>\$ 4,063,921</u></u>	<u><u>\$ 2,915,583</u></u>	<u><u>\$ 199,134</u></u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$ 32,512
Due to other funds			146,698
Accrued payroll and employee benefits		19,793	19,924
Unearned revenues			
Total liabilities		<u>19,793</u>	<u>199,134</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			<u>199,134</u>
Fund balances (deficits):			
Restricted	4,063,921	2,895,790	
Unassigned			(199,134)
Total fund balances	<u>4,063,921</u>	<u>2,895,790</u>	<u>(199,134)</u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 4,063,921</u></u>	<u><u>\$ 2,915,583</u></u>	<u><u>\$ 199,134</u></u>

Professional Development and Technology Grants	Title IV Grants	Limited English and Immigrant Students	Indian Education	Special Education Grants	Johnson O'Malley
\$	\$	\$	\$	\$	\$
166,585	4,429	1,837	47,961	260,760	687
<u>\$ 166,585</u>	<u>\$ 4,429</u>	<u>\$ 1,837</u>	<u>\$ 47,961</u>	<u>\$ 260,760</u>	<u>\$ 687</u>
\$ 17,648	\$	\$	\$ 34,173	\$	\$
148,937	4,429	1,837	13,788	260,760	687
<u>166,585</u>	<u>4,429</u>	<u>1,837</u>	<u>47,961</u>	<u>260,760</u>	<u>687</u>
<u>166,585</u>	<u>4,429</u>	<u>1,837</u>		<u>260,760</u>	<u>687</u>
(166,585)	(4,429)	(1,837)		(260,760)	(687)
<u>(166,585)</u>	<u>(4,429)</u>	<u>(1,837)</u>		<u>(260,760)</u>	<u>(687)</u>
<u>\$ 166,585</u>	<u>\$ 4,429</u>	<u>\$ 1,837</u>	<u>\$ 47,961</u>	<u>\$ 260,760</u>	<u>\$ 687</u>

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2019

	<u>Vocational Education</u>	<u>E-Rate</u>	<u>Other Federal Projects</u>
<u>ASSETS</u>			
Cash and investments	\$	\$ 1,141,901	\$ 439,481
Deposits held by others			
Accounts receivable			
Due from governmental entities	102,560	139,425	106,306
Total assets	<u><u>\$ 102,560</u></u>	<u><u>\$ 1,281,326</u></u>	<u><u>\$ 545,787</u></u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 28,874	\$ 234,122	\$
Due to other funds	73,686		
Accrued payroll and employee benefits		8,678	
Unearned revenues			
Total liabilities	<u>102,560</u>	<u>242,800</u>	
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>102,560</u>		
Fund balances (deficits):			
Restricted		1,038,526	546,985
Unassigned	(102,560)		(1,198)
Total fund balances	<u>(102,560)</u>	<u>1,038,526</u>	<u>545,787</u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 102,560</u></u>	<u><u>\$ 1,281,326</u></u>	<u><u>\$ 545,787</u></u>

<u>State Vocational Education</u>	<u>College Credit Exam Incentives</u>	<u>Results-based Funding</u>	<u>Other State Projects</u>	<u>Food Service</u>	<u>Civic Center</u>
\$ 17,502	\$ 296,063	\$ 332	\$ 1,261	\$ 257,258 45,148	\$ 2,294,851 26,424
<u>\$ 17,502</u>	<u>\$ 296,063</u>	<u>\$ 332</u>	<u>\$ 1,261</u>	<u>\$ 302,406</u>	<u>\$ 2,321,275</u>
\$ 16,974	\$	\$	\$	\$	\$
528			1,261	9,514	10,584
<u>17,502</u>			<u>1,261</u>	<u>55,038</u>	<u>10,584</u>
	296,063	332		237,854	2,310,691
	<u>296,063</u>	<u>332</u>		<u>237,854</u>	<u>2,310,691</u>
<u>\$ 17,502</u>	<u>\$ 296,063</u>	<u>\$ 332</u>	<u>\$ 1,261</u>	<u>\$ 302,406</u>	<u>\$ 2,321,275</u>

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2019

	Community School	Auxiliary Operations	Extracurricular Activities Fees Tax Credit
<u>ASSETS</u>			
Cash and investments	\$ 6,530,639	\$ 3,217,881	\$ 1,225,933
Deposits held by others			
Accounts receivable			
Due from governmental entities	42,175		
Total assets	<u><u>\$ 6,572,814</u></u>	<u><u>\$ 3,217,881</u></u>	<u><u>\$ 1,225,933</u></u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 45,207	\$ 22,767	\$ 19,353
Due to other funds			
Accrued payroll and employee benefits	427,172		
Unearned revenues			
Total liabilities	<u>472,379</u>	<u>22,767</u>	<u>19,353</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Restricted	6,100,435	3,195,114	1,206,580
Unassigned			
Total fund balances	<u>6,100,435</u>	<u>3,195,114</u>	<u>1,206,580</u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 6,572,814</u></u>	<u><u>\$ 3,217,881</u></u>	<u><u>\$ 1,225,933</u></u>

<u>Gifts and Donations</u>	<u>Career and Tech Ed and Vocational Ed Projects</u>	<u>Fingerprint</u>	<u>Textbooks</u>	<u>Insurance Refund</u>	<u>Career Technical Education</u>
\$ 402,867	\$ 1,496	\$ 1,960	\$ 583,376	\$ 199,848	\$ 8,977,861
					2,318,240
<u>\$ 402,867</u>	<u>\$ 1,496</u>	<u>\$ 1,960</u>	<u>\$ 583,376</u>	<u>\$ 199,848</u>	<u>\$ 11,296,101</u>
\$	\$	\$	\$	\$	\$ 108,300
					46,158
					154,458
402,867	1,496	1,960	583,376	199,848	11,141,643
<u>402,867</u>	<u>1,496</u>	<u>1,960</u>	<u>583,376</u>	<u>199,848</u>	<u>11,141,643</u>
<u>\$ 402,867</u>	<u>\$ 1,496</u>	<u>\$ 1,960</u>	<u>\$ 583,376</u>	<u>\$ 199,848</u>	<u>\$ 11,296,101</u>

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2019

	<u>Print Shop</u>	<u>Intergovernmental Agreements</u>	<u>Totals</u>
<u>ASSETS</u>			
Cash and investments	\$ 297,422	\$	\$ 31,278,689
Deposits held by others			45,148
Accounts receivable	22,429	163,088	211,941
Due from governmental entities			4,978,846
Total assets	<u><u>\$ 319,851</u></u>	<u><u>\$ 163,088</u></u>	<u><u>\$ 36,514,624</u></u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$ 559,930
Due to other funds		163,088	813,910
Accrued payroll and employee benefits			541,823
Unearned revenues			56,827
Total liabilities		<u>163,088</u>	<u>1,972,490</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			<u>735,992</u>
Fund balances (deficits):			
Restricted	319,851		34,543,332
Unassigned			(737,190)
Total fund balances	<u>319,851</u>		<u>33,806,142</u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 319,851</u></u>	<u><u>\$ 163,088</u></u>	<u><u>\$ 36,514,624</u></u>

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TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>Title I Grants</u>
Revenues:			
Other local	\$ 95,398	\$ 33,477	\$
State aid and grants	7,825,337	639,499	
Federal aid, grants and reimbursements			1,399,701
Total revenues	<u>7,920,735</u>	<u>672,976</u>	<u>1,399,701</u>
Expenditures:			
Current -			
Instruction	6,664,611	490,697	741,451
Support services - students and staff	619,822	157,637	567,875
Support services - administration			45,899
Operation and maintenance of plant services			
Student transportation services			203
Operation of non-instructional services			
Capital outlay			20,399
Total expenditures	<u>7,284,433</u>	<u>648,334</u>	<u>1,375,827</u>
Excess (deficiency) of revenues over expenditures	<u>636,302</u>	<u>24,642</u>	<u>23,874</u>
Other financing sources (uses):			
Transfer out			(62,482)
Total other financing sources (uses)			<u>(62,482)</u>
Changes in fund balances	<u>636,302</u>	<u>24,642</u>	<u>(38,608)</u>
Fund balances (deficits), beginning of year	3,427,619	2,871,148	(160,526)
Fund balances (deficits), end of year	<u>\$ 4,063,921</u>	<u>\$ 2,895,790</u>	<u>\$ (199,134)</u>

Professional Development and Technology Grants	Title IV Grants	Limited English and Immigrant Students	Indian Education	Special Education Grants	Johnson O'Malley
\$	\$	\$	\$	\$	\$
144,838	4,664	29,012	151,480	2,002,990	6,865
144,838	4,664	29,012	151,480	2,002,990	6,865
235,977	5,108	13,351	30,047	1,525,664	
44,458		14,186	111,428	488,303	1,992
		480	760	24,185	
			1,766		
			582		
280,435	5,108	28,017	144,583	2,038,152	1,992
(135,597)	(444)	995	6,897	(35,162)	4,873
(13,377)	(244)	(1,309)	(6,897)	(97,220)	(95)
(13,377)	(244)	(1,309)	(6,897)	(97,220)	(95)
(148,974)	(688)	(314)		(132,382)	4,778
(17,611)	(3,741)	(1,523)		(128,378)	(5,465)
\$ (166,585)	\$ (4,429)	\$ (1,837)	\$	\$ (260,760)	\$ (687)

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Vocational Education	E-Rate	Other Federal Projects
Revenues:			
Other local	\$	\$ 18,021	\$
State aid and grants			
Federal aid, grants and reimbursements	610,120	139,425	563,071
Total revenues	<u>610,120</u>	<u>157,446</u>	<u>563,071</u>
Expenditures:			
Current -			
Instruction	12,460		13,924
Support services - students and staff	406,710	234,122	365,412
Support services - administration	7,210		29,985
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	220,675		945
Total expenditures	<u>647,055</u>	<u>234,122</u>	<u>410,266</u>
Excess (deficiency) of revenues over expenditures	<u>(36,935)</u>	<u>(76,676)</u>	<u>152,805</u>
Other financing sources (uses):			
Transfer out	(14,307)		(17,920)
Total other financing sources (uses)	<u>(14,307)</u>		<u>(17,920)</u>
Changes in fund balances	<u>(51,242)</u>	<u>(76,676)</u>	<u>134,885</u>
Fund balances (deficits), beginning of year	(51,318)	1,115,202	410,902
Fund balances (deficits), end of year	<u>\$ (102,560)</u>	<u>\$ 1,038,526</u>	<u>\$ 545,787</u>

State Vocational Education	Gifted	College Credit Exam Incentives	Results-based Funding	Other State Projects	Food Service
\$	\$	\$	\$	\$	\$
409,662	14,190	229,994	332	893,435	1,802,285
<u>409,662</u>	<u>14,190</u>	<u>229,994</u>	<u>332</u>	<u>893,435</u>	<u>1,168,731</u>
					<u>2,971,016</u>
150,058	3,344				
108,736	7,877	113,995			
66,005	2,027				695
				729,854	11,881
	942				
					3,010,145
84,863					5,485
<u>409,662</u>	<u>14,190</u>	<u>113,995</u>		<u>729,854</u>	<u>3,028,206</u>
		<u>115,999</u>	<u>332</u>	<u>163,581</u>	<u>(57,190)</u>
		<u>115,999</u>	<u>332</u>	<u>163,581</u>	<u>(57,190)</u>
		<u>180,064</u>		<u>(163,581)</u>	<u>295,044</u>
<u>\$</u>	<u>\$</u>	<u>\$ 296,063</u>	<u>\$ 332</u>	<u>\$</u>	<u>\$ 237,854</u>

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Civic Center	Community School	Auxiliary Operations
Revenues:			
Other local	\$ 326,268	\$ 2,761,254	\$ 1,951,311
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>326,268</u>	<u>2,761,254</u>	<u>1,951,311</u>
Expenditures:			
Current -			
Instruction		502,707	470,539
Support services - students and staff	1,551	248,266	360,264
Support services - administration		77,284	36,841
Operation and maintenance of plant services	98,756	50,466	288,923
Student transportation services	4,646	6,297	4,728
Operation of non-instructional services	2,746	985,446	59,882
Capital outlay	7,542	101,762	3,075
Total expenditures	<u>115,241</u>	<u>1,972,228</u>	<u>1,224,252</u>
Excess (deficiency) of revenues over expenditures	<u>211,027</u>	<u>789,026</u>	<u>727,059</u>
Other financing sources (uses):			
Transfer out			
Total other financing sources (uses)	<u></u>	<u></u>	<u></u>
Changes in fund balances	<u>211,027</u>	<u>789,026</u>	<u>727,059</u>
Fund balances (deficits), beginning of year	2,099,664	5,311,409	2,468,055
Fund balances, end of year	<u><u>\$ 2,310,691</u></u>	<u><u>\$ 6,100,435</u></u>	<u><u>\$ 3,195,114</u></u>

Extracurricular Activities Fees Tax Credit	Gifts and Donations	Career and Tech Ed and Vocational Ed Projects	Fingerprint	Textbooks	Insurance Refund
\$ 885,233	\$ 201,263	\$ 620	\$ 2,073	\$ 34,587	\$ 3,247
<u>885,233</u>	<u>201,263</u>	<u>620</u>	<u>2,073</u>	<u>34,587</u>	<u>3,247</u>
308,893	71,539	2,147			
420,250	57,582			4,557	
	10,873		1,870		
	16,512				
114,616	4,973				
	3,458				
	43,341				
<u>843,759</u>	<u>208,278</u>	<u>2,147</u>	<u>1,870</u>	<u>4,557</u>	
<u>41,474</u>	<u>(7,015)</u>	<u>(1,527)</u>	<u>203</u>	<u>30,030</u>	<u>3,247</u>
<u>41,474</u>	<u>(7,015)</u>	<u>(1,527)</u>	<u>203</u>	<u>30,030</u>	<u>3,247</u>
1,165,106	409,882	3,023	1,757	553,346	196,601
<u>\$ 1,206,580</u>	<u>\$ 402,867</u>	<u>\$ 1,496</u>	<u>\$ 1,960</u>	<u>\$ 583,376</u>	<u>\$ 199,848</u>

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Grants and Gifts to Teachers	Career Technical Education	Print Shop
Revenues:			
Other local	\$ 6	\$ 4,872,043	\$ 200,896
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>6</u>	<u>4,872,043</u>	<u>200,896</u>
Expenditures:			
Current -			
Instruction		1,363,633	
Support services - students and staff		216,587	
Support services - administration		11,734	
Operation and maintenance of plant services		23,424	
Student transportation services		9,824	
Operation of non-instructional services		4,500	
Capital outlay	1,381	107,006	96,287
Total expenditures	<u>1,381</u>	<u>1,736,708</u>	<u>96,287</u>
Excess (deficiency) of revenues over expenditures	<u>(1,375)</u>	<u>3,135,335</u>	<u>104,609</u>
Other financing sources (uses):			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	<u>(1,375)</u>	<u>3,135,335</u>	<u>104,609</u>
Fund balances (deficits), beginning of year	1,375	8,006,308	215,242
Fund balances, end of year	<u>\$</u>	<u>\$ 11,141,643</u>	<u>\$ 319,851</u>

Intergovernmental Agreements	Totals
\$ 890,815	\$ 14,078,797
	10,012,449
	6,220,897
<u>890,815</u>	<u>30,312,143</u>
529,280	12,894,345
275,536	5,023,773
85,534	445,840
	1,219,816
	147,995
	4,066,177
465	693,808
<u>890,815</u>	<u>24,491,754</u>
	<u>5,820,389</u>
	(213,851)
	<u>(213,851)</u>
	5,606,538
	28,199,604
<u>\$</u>	<u>\$ 33,806,142</u>

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 95,398	\$ 95,398
State aid and grants		7,825,337	7,825,337
Federal aid, grants and reimbursements			
Total revenues		<u>7,920,735</u>	<u>7,920,735</u>
Expenditures:			
Current -			
Instruction	12,703,344	6,664,611	6,038,733
Support services - students and staff		619,822	(619,822)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>12,703,344</u>	<u>7,284,433</u>	<u>5,418,911</u>
Excess (deficiency) of revenues over expenditures	<u>(12,703,344)</u>	<u>636,302</u>	<u>13,339,646</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Proceeds from sale of capital assets			
Total other financing sources (uses)			
Changes in fund balances	<u>(12,703,344)</u>	<u>636,302</u>	<u>13,339,646</u>
Fund balances (deficits), beginning of year		3,427,619	3,427,619
Fund balances (deficits), end of year	<u>\$ (12,703,344)</u>	<u>\$ 4,063,921</u>	<u>\$ 16,767,265</u>

Instructional Improvement			Title I Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 33,477 639,499	\$ 33,477 639,499	\$	\$	\$
				1,399,701	1,399,701
	672,976	672,976		1,399,701	1,399,701
1,600,000	490,697 157,637	1,109,303 (157,637)	1,815,859	741,451 567,875 45,899	1,074,408 (567,875) (45,899)
				203	(203)
				20,399	(20,399)
1,600,000	648,334	951,666	1,815,859	1,375,827	440,032
(1,600,000)	24,642	1,624,642	(1,815,859)	23,874	1,839,733
				(62,482)	(62,482)
				(62,482)	(62,482)
(1,600,000)	24,642	1,624,642	(1,815,859)	(38,608)	1,777,251
	2,871,148	2,871,148		(160,526)	(160,526)
\$ (1,600,000)	\$ 2,895,790	\$ 4,495,790	\$ (1,815,859)	\$ (199,134)	\$ 1,616,725

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Professional Development and Technology Grants		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		144,838	144,838
Total revenues		<u>144,838</u>	<u>144,838</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff	340,179	235,977	104,202
Support services - administration		44,458	(44,458)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>340,179</u>	<u>280,435</u>	<u>59,744</u>
Excess (deficiency) of revenues over expenditures	<u>(340,179)</u>	<u>(135,597)</u>	<u>204,582</u>
Other financing sources (uses):			
Transfer in			
Transfer out		(13,377)	(13,377)
Proceeds from sale of capital assets			
Total other financing sources (uses)		<u>(13,377)</u>	<u>(13,377)</u>
Changes in fund balances	<u>(340,179)</u>	<u>(148,974)</u>	<u>191,205</u>
Fund balances (deficits), beginning of year		(17,611)	(17,611)
Fund balances (deficits), end of year	<u>\$ (340,179)</u>	<u>\$ (166,585)</u>	<u>\$ 173,594</u>

Title IV Grants			Limited English and Immigrant Students		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	4,664	4,664		29,012	29,012
	4,664	4,664		29,012	29,012
125,190	5,108	120,082	59,612	13,351 14,186 480	(13,351) 45,426 (480)
125,190	5,108	120,082	59,612	28,017	31,595
(125,190)	(444)	124,746	(59,612)	995	60,607
	(244)	(244)		(1,309)	(1,309)
	(244)	(244)		(1,309)	(1,309)
(125,190)	(688)	124,502	(59,612)	(314)	59,298
	(3,741)	(3,741)		(1,523)	(1,523)
\$ (125,190)	\$ (4,429)	\$ 120,761	\$ (59,612)	\$ (1,837)	\$ 57,775

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Indian Education		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		151,480	151,480
Total revenues		<u>151,480</u>	<u>151,480</u>
Expenditures:			
Current -			
Instruction		30,047	(30,047)
Support services - students and staff	151,479	111,428	40,051
Support services - administration		760	(760)
Operation and maintenance of plant services			
Student transportation services		1,766	(1,766)
Operation of non-instructional services			
Capital outlay		582	(582)
Total expenditures	<u>151,479</u>	<u>144,583</u>	<u>6,896</u>
Excess (deficiency) of revenues over expenditures	<u>(151,479)</u>	<u>6,897</u>	<u>158,376</u>
Other financing sources (uses):			
Transfer in			
Transfer out		(6,897)	(6,897)
Proceeds from sale of capital assets			
Total other financing sources (uses)		<u>(6,897)</u>	<u>(6,897)</u>
Changes in fund balances	<u>(151,479)</u>		<u>151,479</u>
Fund balances (deficits), beginning of year			
Fund balances (deficits), end of year	<u>\$ (151,479)</u>	<u>\$</u>	<u>\$ 151,479</u>

Special Education Grants			Johnson O'Malley		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	2,002,990	2,002,990		6,865	6,865
	2,002,990	2,002,990		6,865	6,865
2,389,595	1,525,664	863,931			
	488,303	(488,303)	11,914	1,992	9,922
	24,185	(24,185)			
2,389,595	2,038,152	351,443	11,914	1,992	9,922
(2,389,595)	(35,162)	2,354,433	(11,914)	4,873	16,787
	(97,220)	(97,220)		(95)	(95)
	(97,220)	(97,220)		(95)	(95)
(2,389,595)	(132,382)	2,257,213	(11,914)	4,778	16,692
	(128,378)	(128,378)		(5,465)	(5,465)
\$ (2,389,595)	\$ (260,760)	\$ 2,128,835	\$ (11,914)	\$ (687)	\$ 11,227

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Vocational Education		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		610,120	610,120
Total revenues		<u>610,120</u>	<u>610,120</u>
Expenditures:			
Current -			
Instruction		12,460	(12,460)
Support services - students and staff	678,076	406,710	271,366
Support services - administration		7,210	(7,210)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		220,675	(220,675)
Total expenditures	<u>678,076</u>	<u>647,055</u>	<u>31,021</u>
Excess (deficiency) of revenues over expenditures	<u>(678,076)</u>	<u>(36,935)</u>	<u>641,141</u>
Other financing sources (uses):			
Transfer in			
Transfer out		(14,307)	(14,307)
Proceeds from sale of capital assets			
Total other financing sources (uses)		<u>(14,307)</u>	<u>(14,307)</u>
Changes in fund balances	<u>(678,076)</u>	<u>(51,242)</u>	<u>626,834</u>
Fund balances (deficits), beginning of year		(51,318)	(51,318)
Fund balances (deficits), end of year	<u>\$ (678,076)</u>	<u>\$ (102,560)</u>	<u>\$ 575,516</u>

Medicaid Reimbursement			E-Rate		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 35,522	\$ 35,522	\$	\$ 18,021	\$ 18,021
	308,968	308,968		139,425	139,425
	344,490	344,490		157,446	157,446
500,000		500,000	600,000	234,122	365,878
500,000		500,000	600,000	234,122	365,878
(500,000)	344,490	844,490	(600,000)	(76,676)	523,324
(500,000)	344,490	844,490	(600,000)	(76,676)	523,324
	1,496,104	1,496,104		1,115,202	1,115,202
\$ (500,000)	\$ 1,840,594	\$ 2,340,594	\$ (600,000)	\$ 1,038,526	\$ 1,638,526

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Other Federal Projects		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		563,071	563,071
Total revenues		<u>563,071</u>	<u>563,071</u>
Expenditures:			
Current -			
Instruction		13,924	(13,924)
Support services - students and staff	845,642	365,412	480,230
Support services - administration		29,985	(29,985)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		945	(945)
Total expenditures	<u>845,642</u>	<u>410,266</u>	<u>435,376</u>
Excess (deficiency) of revenues over expenditures	<u>(845,642)</u>	<u>152,805</u>	<u>998,447</u>
Other financing sources (uses):			
Transfer in			
Transfer out		(17,920)	(17,920)
Proceeds from sale of capital assets			
Total other financing sources (uses)		<u>(17,920)</u>	<u>(17,920)</u>
Changes in fund balances	<u>(845,642)</u>	<u>134,885</u>	<u>980,527</u>
Fund balances (deficits), beginning of year		410,902	410,902
Fund balances (deficits), end of year	<u>\$ (845,642)</u>	<u>\$ 545,787</u>	<u>\$ 1,391,429</u>

State Vocational Education			Gifted		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	409,662	409,662		14,190	14,190
	409,662	409,662		14,190	14,190
409,661	150,058	259,603		3,344	(3,344)
	108,736	(108,736)	10,406	7,877	2,529
	66,005	(66,005)		2,027	(2,027)
				942	(942)
	84,863	(84,863)			
409,661	409,662	(1)	10,406	14,190	(3,784)
(409,661)		409,661	(10,406)		10,406
(409,661)		409,661	(10,406)		10,406
\$ (409,661)	\$	\$ 409,661	\$ (10,406)	\$	\$ 10,406

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	College Credit Exam Incentives		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants		229,994	229,994
Federal aid, grants and reimbursements			
Total revenues		<u>229,994</u>	<u>229,994</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff	200,000	113,995	86,005
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>200,000</u>	<u>113,995</u>	<u>86,005</u>
Excess (deficiency) of revenues over expenditures	<u>(200,000)</u>	<u>115,999</u>	<u>315,999</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Proceeds from sale of capital assets			
Total other financing sources (uses)			
Changes in fund balances	<u>(200,000)</u>	<u>115,999</u>	<u>315,999</u>
Fund balances (deficits), beginning of year		180,064	180,064
Fund balances (deficits), end of year	<u>\$ (200,000)</u>	<u>\$ 296,063</u>	<u>\$ 496,063</u>

Results-based Funding			Other State Projects		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	332	332		893,435	893,435
	332	332		893,435	893,435
			740,916	729,854	11,062
			740,916	729,854	11,062
	332	332	(740,916)	163,581	904,497
	332	332	(740,916)	163,581	904,497
				(163,581)	(163,581)
\$	\$ 332	\$ 332	\$ (740,916)	\$	\$ 740,916

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	School Plant		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 906,947	\$ 906,947
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>906,947</u>	<u>906,947</u>
Expenditures:			
Current -			
Instruction		160	(160)
Support services - students and staff			
Support services - administration	1,100,000	28,580	1,071,420
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services		24,929	(24,929)
Capital outlay		9,461	(9,461)
Total expenditures	<u>1,100,000</u>	<u>63,130</u>	<u>1,036,870</u>
Excess (deficiency) of revenues over expenditures	<u>(1,100,000)</u>	<u>843,817</u>	<u>1,943,817</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Proceeds from sale of capital assets		22,788,802	22,788,802
Total other financing sources (uses)		<u>22,788,802</u>	<u>22,788,802</u>
Changes in fund balances	<u>(1,100,000)</u>	<u>23,632,619</u>	<u>24,732,619</u>
Fund balances (deficits), beginning of year		4,414,142	4,414,142
Fund balances (deficits), end of year	<u>\$ (1,100,000)</u>	<u>\$ 28,046,761</u>	<u>\$ 29,146,761</u>

Food Service			Civic Center		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,802,285	\$ 1,802,285	\$	\$ 326,268	\$ 326,268
	1,168,731	1,168,731			
	2,971,016	2,971,016		326,268	326,268
	695	(695)		1,551	(1,551)
	11,881	(11,881)	1,100,000	98,756	1,001,244
				4,646	(4,646)
3,500,000	3,010,145	489,855		2,746	(2,746)
	5,485	(5,485)		7,542	(7,542)
3,500,000	3,028,206	471,794	1,100,000	115,241	984,759
(3,500,000)	(57,190)	3,442,810	(1,100,000)	211,027	1,311,027
(3,500,000)	(57,190)	3,442,810	(1,100,000)	211,027	1,311,027
	295,044	295,044		2,099,664	2,099,664
\$ (3,500,000)	\$ 237,854	\$ 3,737,854	\$ (1,100,000)	\$ 2,310,691	\$ 3,410,691

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Community School		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 2,761,254	\$ 2,761,254
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>2,761,254</u>	<u>2,761,254</u>
Expenditures:			
Current -			
Instruction		502,707	(502,707)
Support services - students and staff		248,266	(248,266)
Support services - administration		77,284	(77,284)
Operation and maintenance of plant services		50,466	(50,466)
Student transportation services		6,297	(6,297)
Operation of non-instructional services	3,600,000	985,446	2,614,554
Capital outlay		101,762	(101,762)
Total expenditures	<u>3,600,000</u>	<u>1,972,228</u>	<u>1,627,772</u>
Excess (deficiency) of revenues over expenditures	<u>(3,600,000)</u>	<u>789,026</u>	<u>4,389,026</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Proceeds from sale of capital assets			
Total other financing sources (uses)			
Changes in fund balances	<u>(3,600,000)</u>	<u>789,026</u>	<u>4,389,026</u>
Fund balances (deficits), beginning of year		5,311,409	5,311,409
Fund balances (deficits), end of year	<u>\$ (3,600,000)</u>	<u>\$ 6,100,435</u>	<u>\$ 9,700,435</u>

Auxiliary Operations			Extracurricular Activities Fees Tax Credit		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,951,311	\$ 1,951,311	\$	\$ 885,233	\$ 885,233
	<u>1,951,311</u>	<u>1,951,311</u>		<u>885,233</u>	<u>885,233</u>
3,000,000	470,539	2,529,461		308,893	(308,893)
	360,264	(360,264)	1,500,000	420,250	1,079,750
	36,841	(36,841)			
	288,923	(288,923)			
	4,728	(4,728)		114,616	(114,616)
	59,882	(59,882)			
	3,075	(3,075)			
<u>3,000,000</u>	<u>1,224,252</u>	<u>1,775,748</u>	<u>1,500,000</u>	<u>843,759</u>	<u>656,241</u>
<u>(3,000,000)</u>	<u>727,059</u>	<u>3,727,059</u>	<u>(1,500,000)</u>	<u>41,474</u>	<u>1,541,474</u>
<u>(3,000,000)</u>	<u>727,059</u>	<u>3,727,059</u>	<u>(1,500,000)</u>	<u>41,474</u>	<u>1,541,474</u>
	2,468,055	2,468,055		1,165,106	1,165,106
<u>\$ (3,000,000)</u>	<u>\$ 3,195,114</u>	<u>\$ 6,195,114</u>	<u>\$ (1,500,000)</u>	<u>\$ 1,206,580</u>	<u>\$ 2,706,580</u>

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Gifts and Donations		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 201,263	\$ 201,263
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>201,263</u>	<u>201,263</u>
Expenditures:			
Current -			
Instruction	550,000	71,539	478,461
Support services - students and staff		57,582	(57,582)
Support services - administration		10,873	(10,873)
Operation and maintenance of plant services		16,512	(16,512)
Student transportation services		4,973	(4,973)
Operation of non-instructional services		3,458	(3,458)
Capital outlay		43,341	(43,341)
Total expenditures	<u>550,000</u>	<u>208,278</u>	<u>341,722</u>
Excess (deficiency) of revenues over expenditures	<u>(550,000)</u>	<u>(7,015)</u>	<u>542,985</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Proceeds from sale of capital assets			
Total other financing sources (uses)			
Changes in fund balances	<u>(550,000)</u>	<u>(7,015)</u>	<u>542,985</u>
Fund balances (deficits), beginning of year		409,882	409,882
Fund balances (deficits), end of year	<u>\$ (550,000)</u>	<u>\$ 402,867</u>	<u>\$ 952,867</u>

Career and Tech Ed and Vocational Ed Projects			Fingerprint		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 620	\$ 620	\$	\$ 2,073	\$ 2,073
	620	620		2,073	2,073
10,000	2,147	7,853	20,000	1,870	18,130
10,000	2,147	7,853	20,000	1,870	18,130
(10,000)	(1,527)	8,473	(20,000)	203	20,203
(10,000)	(1,527)	8,473	(20,000)	203	20,203
	3,023	3,023		1,757	1,757
\$ (10,000)	\$ 1,496	\$ 11,496	\$ (20,000)	\$ 1,960	\$ 21,960

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Textbooks		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 34,587	\$ 34,587
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>34,587</u>	<u>34,587</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff	500,000	4,557	495,443
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>500,000</u>	<u>4,557</u>	<u>495,443</u>
Excess (deficiency) of revenues over expenditures	<u>(500,000)</u>	<u>30,030</u>	<u>530,030</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Proceeds from sale of capital assets			
Total other financing sources (uses)			
Changes in fund balances	<u>(500,000)</u>	<u>30,030</u>	<u>530,030</u>
Fund balances (deficits), beginning of year		553,346	553,346
Fund balances (deficits), end of year	<u>\$ (500,000)</u>	<u>\$ 583,376</u>	<u>\$ 1,083,376</u>

Litigation Recovery			Indirect Costs		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 11,067	\$ 11,067	\$	\$	\$
	11,067	11,067			
110,000		110,000			
			500,000	206,065	293,935
				7,786	(7,786)
110,000		110,000	500,000	213,851	286,149
(110,000)	11,067	121,067	(500,000)	(213,851)	286,149
				213,851	213,851
				213,851	213,851
(110,000)	11,067	121,067	(500,000)		500,000
	668,986	668,986			
\$ (110,000)	\$ 680,053	\$ 790,053	\$ (500,000)	\$	\$ 500,000

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Insurance Refund		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 3,247	\$ 3,247
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>3,247</u>	<u>3,247</u>
Expenditures:			
Current -			
Instruction	15,000		15,000
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>15,000</u>		<u>15,000</u>
Excess (deficiency) of revenues over expenditures	<u>(15,000)</u>	<u>3,247</u>	<u>18,247</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Proceeds from sale of capital assets			
Total other financing sources (uses)			
Changes in fund balances	<u>(15,000)</u>	<u>3,247</u>	<u>18,247</u>
Fund balances (deficits), beginning of year		196,601	196,601
Fund balances (deficits), end of year	<u>\$ (15,000)</u>	<u>\$ 199,848</u>	<u>\$ 214,848</u>

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Print Shop		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 200,896	\$ 200,896
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>200,896</u>	<u>200,896</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	250,000	96,287	153,713
Total expenditures	<u>250,000</u>	<u>96,287</u>	<u>153,713</u>
Excess (deficiency) of revenues over expenditures	<u>(250,000)</u>	<u>104,609</u>	<u>354,609</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Proceeds from sale of capital assets			
Total other financing sources (uses)			
Changes in fund balances	<u>(250,000)</u>	<u>104,609</u>	<u>354,609</u>
Fund balances (deficits), beginning of year		215,242	215,242
Fund balances (deficits), end of year	<u>\$ (250,000)</u>	<u>\$ 319,851</u>	<u>\$ 569,851</u>

Intergovernmental Agreements			Totals		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 890,815	\$ 890,815	\$	\$ 15,032,333	\$ 15,032,333
				10,012,449	10,012,449
				6,529,865	6,529,865
	890,815	890,815		31,574,647	31,574,647
975,000	529,280	445,720	30,078,459	12,894,505	17,183,954
	275,536	(275,536)	5,022,498	5,023,773	(1,275)
	85,534	(85,534)	1,620,000	680,485	939,515
			1,840,916	1,219,816	621,100
				147,995	(147,995)
			7,100,000	4,098,892	3,001,108
	465	(465)	265,000	703,269	(438,269)
975,000	890,815	84,185	45,926,873	24,768,735	21,158,138
(975,000)		975,000	(45,926,873)	6,805,912	52,732,785
				213,851	213,851
				(213,851)	(213,851)
				22,788,802	22,788,802
				22,788,802	22,788,802
(975,000)		975,000	(45,926,873)	29,594,714	75,521,587
				34,778,836	34,778,836
\$ (975,000)	\$	\$ 975,000	\$ (45,926,873)	\$ 64,373,550	\$ 110,300,423

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DEBT SERVICE FUND

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2019

	Debt Service		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 17,218	\$ 17,218
Property taxes		7,627,371	7,627,371
Total revenues		<u>7,644,589</u>	<u>7,644,589</u>
Expenditures:			
Debt service -			
Principal retirement	4,655,000	4,655,000	
Interest and fiscal charges	2,874,496	2,914,244	(39,748)
Total expenditures	<u>7,529,496</u>	<u>7,569,244</u>	<u>(39,748)</u>
Excess (deficiency) of revenues over expenditures	<u>(7,529,496)</u>	<u>75,345</u>	<u>7,604,841</u>
Other financing sources (uses):			
Transfer in		103,385	103,385
Total other financing sources (uses)		<u>103,385</u>	<u>103,385</u>
Changes in fund balances	<u>(7,529,496)</u>	<u>178,730</u>	<u>7,708,226</u>
Fund balances, beginning of year		311,430	311,430
Fund balances (deficits), end of year	<u>\$ (7,529,496)</u>	<u>\$ 490,160</u>	<u>\$ 8,019,656</u>

CAPITAL PROJECTS FUNDS

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

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

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

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

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

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2019

	<u>Unrestricted Capital Outlay</u>	<u>Adjacent Ways</u>	<u>Bond Building</u>
<u>ASSETS</u>			
Cash and investments	\$ 10,885,213	\$ 526,582	\$ 1,755,305
Property taxes receivable	93,084		
Due from governmental entities			
Total assets	<u><u>\$ 10,978,297</u></u>	<u><u>\$ 526,582</u></u>	<u><u>\$ 1,755,305</u></u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 1,193,567	\$	\$ 83,945
Construction contracts payable	1,193,567		
Due to other funds			
Total liabilities	<u><u>1,193,567</u></u>		<u><u>83,945</u></u>
Deferred inflows of resources:			
Unavailable revenues - property taxes	<u><u>61,597</u></u>		
Fund balances (deficits):			
Restricted	9,723,133	526,582	1,671,360
Unassigned			
Total fund balances	<u><u>9,723,133</u></u>	<u><u>526,582</u></u>	<u><u>1,671,360</u></u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 10,978,297</u></u>	<u><u>\$ 526,582</u></u>	<u><u>\$ 1,755,305</u></u>

<u>Condemnation</u>	<u>Building Renewal Grant</u>	<u>Totals</u>
\$ 165,800	\$	\$ 13,332,900
		93,084
	5,700	5,700
<u>\$ 165,800</u>	<u>\$ 5,700</u>	<u>\$ 13,431,684</u>
\$	\$	\$ 83,945
		1,193,567
	23,220	23,220
	<u>23,220</u>	<u>1,300,732</u>
		<u>61,597</u>
165,800		12,086,875
	(17,520)	(17,520)
<u>165,800</u>	<u>(17,520)</u>	<u>12,069,355</u>
<u>\$ 165,800</u>	<u>\$ 5,700</u>	<u>\$ 13,431,684</u>

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2019

	Unrestricted Capital Outlay	Adjacent Ways	Bond Building
Revenues:			
Other local	\$ 410,408	\$ 10,578	\$ 103,385
Property taxes	6,529,555		
State aid and grants			
Total revenues	<u>6,939,963</u>	<u>10,578</u>	<u>103,385</u>
Expenditures:			
Capital outlay	<u>7,455,006</u>		<u>821,932</u>
Total expenditures	<u>7,455,006</u>		<u>821,932</u>
Excess (deficiency) of revenues over expenditures	<u>(515,043)</u>	<u>10,578</u>	<u>(718,547)</u>
Other financing sources (uses):			
Transfer out			(103,385)
Total other financing sources (uses)			<u>(103,385)</u>
Changes in fund balances	<u>(515,043)</u>	<u>10,578</u>	<u>(821,932)</u>
Fund balances (deficits), beginning of year	10,238,176	516,004	2,493,292
Fund balances (deficits), end of year	<u>\$ 9,723,133</u>	<u>\$ 526,582</u>	<u>\$ 1,671,360</u>

<u>Condemnation</u>	<u>Building Renewal Grant</u>	<u>Totals</u>
\$ 2,694	\$	\$ 527,065
		6,529,555
	348,122	348,122
<u>2,694</u>	<u>348,122</u>	<u>7,404,742</u>
	56,869	8,333,807
	<u>56,869</u>	<u>8,333,807</u>
<u>2,694</u>	<u>291,253</u>	<u>(929,065)</u>
		(103,385)
		<u>(103,385)</u>
<u>2,694</u>	<u>291,253</u>	<u>(1,032,450)</u>
163,106	(308,773)	13,101,805
<u>\$ 165,800</u>	<u>\$ (17,520)</u>	<u>\$ 12,069,355</u>

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2019

	Insurance Proceeds		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 25,961	\$ 25,961
Property taxes			
State aid and grants			
Total revenues		<u>25,961</u>	<u>25,961</u>
Expenditures:			
Current -			
Operation and maintenance of plant services		237	(237)
Student transportation services	150,000	49,979	100,021
Capital outlay		43,753	(43,753)
Total expenditures	<u>150,000</u>	<u>93,969</u>	<u>56,031</u>
Excess (deficiency) of revenues over expenditures	<u>(150,000)</u>	<u>(68,008)</u>	<u>81,992</u>
Other financing sources (uses):			
Transfer out			
Insurance recoveries		57,544	57,544
Total other financing sources (uses)		<u>57,544</u>	<u>57,544</u>
Changes in fund balances	<u>(150,000)</u>	<u>(10,464)</u>	<u>139,536</u>
Fund balances (deficits), beginning of year		594,047	594,047
Fund balances (deficits), end of year	<u>\$ (150,000)</u>	<u>\$ 583,583</u>	<u>\$ 733,583</u>

Unrestricted Capital Outlay			Adjacent Ways		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 410,408 6,529,555	\$ 410,408 6,529,555	\$	\$ 10,578	\$ 10,578
	<u>6,939,963</u>	<u>6,939,963</u>		<u>10,578</u>	<u>10,578</u>
16,276,692	7,455,006	8,821,686	150,000		150,000
<u>16,276,692</u>	<u>7,455,006</u>	<u>8,821,686</u>	<u>150,000</u>		<u>150,000</u>
(16,276,692)	(515,043)	15,761,649	(150,000)	10,578	160,578
(16,276,692)	(515,043)	15,761,649	(150,000)	10,578	160,578
	10,238,176	10,238,176		516,004	516,004
<u>\$ (16,276,692)</u>	<u>\$ 9,723,133</u>	<u>\$ 25,999,825</u>	<u>\$ (150,000)</u>	<u>\$ 526,582</u>	<u>\$ 676,582</u>

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2019

	Bond Building		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 103,385	\$ 103,385
Property taxes			
State aid and grants			
Total revenues		<u>103,385</u>	<u>103,385</u>
Expenditures:			
Current -			
Operation and maintenance of plant services			
Student transportation services			
Capital outlay	<u>2,482,000</u>	<u>821,932</u>	<u>1,660,068</u>
Total expenditures	<u>2,482,000</u>	<u>821,932</u>	<u>1,660,068</u>
Excess (deficiency) of revenues over expenditures	<u>(2,482,000)</u>	<u>(718,547)</u>	<u>1,763,453</u>
Other financing sources (uses):			
Transfer out		(103,385)	(103,385)
Insurance recoveries			
Total other financing sources (uses)		<u>(103,385)</u>	<u>(103,385)</u>
Changes in fund balances	<u>(2,482,000)</u>	<u>(821,932)</u>	<u>1,660,068</u>
Fund balances (deficits), beginning of year		2,493,292	2,493,292
Fund balances (deficits), end of year	<u>\$ (2,482,000)</u>	<u>\$ 1,671,360</u>	<u>\$ 4,153,360</u>

Condemnation			Building Renewal Grant		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 2,694	\$ 2,694	\$	\$	\$
				348,122	348,122
	2,694	2,694		348,122	348,122
			158,677	56,869	101,808
			158,677	56,869	101,808
	2,694	2,694	(158,677)	291,253	449,930
	2,694	2,694	(158,677)	291,253	449,930
	163,106	163,106		(308,773)	(308,773)
\$	\$ 165,800	\$ 165,800	\$ (158,677)	\$ (17,520)	\$ 141,157

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2019

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 553,026	\$ 553,026
Property taxes		6,529,555	6,529,555
State aid and grants		348,122	348,122
Total revenues		<u>7,430,703</u>	<u>7,430,703</u>
Expenditures:			
Current -			
Operation and maintenance of plant services		237	(237)
Student transportation services	150,000	49,979	100,021
Capital outlay	19,067,369	8,377,560	10,689,809
Total expenditures	<u>19,217,369</u>	<u>8,427,776</u>	<u>10,789,593</u>
Excess (deficiency) of revenues over expenditures	<u>(19,217,369)</u>	<u>(997,073)</u>	<u>18,220,296</u>
Other financing sources (uses):			
Transfer out		(103,385)	(103,385)
Insurance recoveries		57,544	57,544
Total other financing sources (uses)		<u>(45,841)</u>	<u>(45,841)</u>
Changes in fund balances	<u>(19,217,369)</u>	<u>(1,042,914)</u>	<u>18,174,455</u>
Fund balances (deficits), beginning of year		13,695,852	13,695,852
Fund balances (deficits), end of year	<u>\$ (19,217,369)</u>	<u>\$ 12,652,938</u>	<u>\$ 31,870,307</u>

AGENCY FUND

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
YEAR ENDED JUNE 30, 2019

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<u>STUDENT ACTIVITIES FUND</u>				
<u>Assets</u>				
Cash and investments	\$ 1,555,525	\$ 2,061,437	\$ 2,106,868	\$ 1,510,094
Total assets	\$ 1,555,525	\$ 2,061,437	\$ 2,106,868	\$ 1,510,094
<u>Liabilities</u>				
Accounts payable	\$ 154,031	\$ 48,369	\$ 154,031	\$ 48,369
Due to student groups	1,401,494	2,013,068	1,952,837	1,461,725
Total liabilities	\$ 1,555,525	\$ 2,061,437	\$ 2,106,868	\$ 1,510,094

STATISTICAL SECTION

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

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TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net Position:					
Net investment in capital assets	\$ 115,493,465	\$ 121,605,994	\$ 122,646,680	\$ 125,889,982	\$ 127,758,710
Restricted	45,518,642	40,191,158	40,077,775	33,794,459	26,637,910
Unrestricted	(21,050,309)	(53,781,220)	(65,386,953)	(68,925,534)	(71,482,563)
Total net position	<u>\$ 139,961,798</u>	<u>\$ 108,015,932</u>	<u>\$ 97,337,502</u>	<u>\$ 90,758,907</u>	<u>\$ 82,914,057</u>
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Net Position:					
Net investment in capital assets	\$ 130,314,587	\$ 129,831,578	\$ 105,875,208	\$ 89,384,724	\$ 68,025,798
Restricted	25,065,982	25,519,627	37,727,315	34,830,933	28,662,141
Unrestricted	26,623,318	29,480,761	49,969,908	61,381,934	63,936,241
Total net position	<u>\$ 182,003,887</u>	<u>\$ 184,831,966</u>	<u>\$ 193,572,431</u>	<u>\$ 185,597,591</u>	<u>\$ 160,624,180</u>

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Expenses					
Instruction	\$ 63,658,829	\$ 60,514,901	\$ 63,672,750	\$ 61,859,899	\$ 61,429,367
Support services - students and staff	16,972,051	15,631,953	16,536,185	15,759,262	14,925,276
Support services - administration	13,338,848	13,720,130	13,519,813	13,082,671	13,269,868
Operation and maintenance of plant services	19,545,162	19,119,283	18,688,571	17,986,522	18,300,722
Student transportation services	5,685,621	5,882,079	5,133,149	4,755,985	5,196,208
Operation of non-instructional services	5,042,969	5,100,509	5,163,844	5,040,156	4,995,373
Interest on long-term debt	2,764,136	2,878,085	2,866,676	3,439,341	3,024,247
Total expenses	<u>127,007,616</u>	<u>122,846,940</u>	<u>125,580,988</u>	<u>121,923,836</u>	<u>121,141,061</u>
Program Revenues					
Charges for services:					
Instruction	8,239,334	4,485,089	8,839,170	9,840,296	10,477,286
Operation of non-instructional services	3,815,477	3,740,219	3,996,724	4,297,372	3,753,595
Other activities	2,636,402	3,975,035	376,786	367,100	314,803
Operating grants and contributions	8,655,921	8,733,345	8,814,710	8,507,270	8,289,281
Capital grants and contributions	327,464	998,403	900,822	621,881	447,094
Total program revenues	<u>23,674,598</u>	<u>21,932,091</u>	<u>22,928,212</u>	<u>23,633,919</u>	<u>23,282,059</u>
Net (Expense)/Revenue	<u>\$ (103,333,018)</u>	<u>\$ (100,914,849)</u>	<u>\$ (102,652,776)</u>	<u>\$ (98,289,917)</u>	<u>\$ (97,859,002)</u>

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Expenses					
Instruction	\$ 60,109,750	\$ 62,186,090	\$ 61,887,082	\$ 59,591,785	\$ 66,515,928
Support services - students and staff	14,024,771	14,610,026	13,508,070	14,822,289	14,429,897
Support services - administration	12,965,829	12,470,013	10,516,696	10,339,089	10,605,978
Operation and maintenance of plant services	17,376,781	16,321,184	14,232,487	14,993,585	13,881,686
Student transportation services	5,113,397	5,016,725	4,333,504	4,165,060	4,289,107
Operation of non-instructional services	4,853,906	4,776,848	5,315,715	4,570,286	4,176,508
Interest on long-term debt	3,382,036	2,288,152	2,726,898	3,585,486	4,789,141
Total expenses	<u>117,826,470</u>	<u>117,669,038</u>	<u>112,520,452</u>	<u>112,067,580</u>	<u>118,688,245</u>
Program Revenues					
Charges for services:					
Instruction	8,148,852	8,582,437	5,596,416	8,937,388	6,915,814
Operation of non-instructional services	3,780,569	4,361,627	4,444,213	4,127,075	8,613,109
Other activities	320,857	878,685	640,920	532,559	955,815
Operating grants and contributions	8,538,052	7,951,441	9,419,083	9,790,006	8,397,780
Capital grants and contributions	121,897	431,573	368,306	443,387	589,495
Total program revenues	<u>20,910,227</u>	<u>22,205,763</u>	<u>20,468,938</u>	<u>23,830,415</u>	<u>25,472,013</u>
Net (Expense)/Revenue	<u>\$ (96,916,243)</u>	<u>\$ (95,463,275)</u>	<u>\$ (92,051,514)</u>	<u>\$ (88,237,165)</u>	<u>\$ (93,216,232)</u>

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

(Concluded)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net (Expense)/Revenue	\$ (103,333,018)	\$ (100,914,849)	\$ (102,652,776)	\$ (98,289,917)	\$ (97,859,002)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	70,182,528	71,132,447	68,401,163	62,056,495	72,409,446
Property taxes, levied for debt service	7,574,480	6,673,562	7,641,926	7,569,968	7,089,589
Property taxes, levied for capital outlay	6,529,151	6,161,626	8,959,408	9,583,514	5,960,471
Investment income	1,712,495	699,510	379,359	342,793	219,209
Unrestricted county aid	1,025,537	767,823	545,411	906,864	812,938
Unrestricted state aid	29,656,923	25,540,003	24,296,667	25,367,286	21,891,503
Unrestricted federal aid	308,968	501,676	485,763	307,847	163,816
Special item	18,288,802		(1,478,326)		
Total general revenues	<u>135,278,884</u>	<u>111,476,647</u>	<u>109,231,371</u>	<u>106,134,767</u>	<u>108,546,972</u>
Changes in Net Position	<u>\$ 31,945,866</u>	<u>\$ 10,561,798</u>	<u>\$ 6,578,595</u>	<u>\$ 7,844,850</u>	<u>\$ 10,687,970</u>

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Net (Expense)/Revenue	\$ (96,916,243)	\$ (95,463,275)	\$ (92,051,514)	\$ (88,237,165)	\$ (93,216,232)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	59,480,166	56,544,816	59,277,439	63,712,165	62,941,487
Property taxes, levied for debt service	6,040,746	7,120,488	23,486,448	27,010,562	27,015,448
Property taxes, levied for capital outlay	5,365,189	5,976,282	5,274,515	5,531,562	9,604,269
Investment income	213,632	177,920	317,483	711,455	839,427
Unrestricted county aid	994,455	725,751	655,473		582,151
Unrestricted state aid	20,264,106	15,907,946	10,752,661	16,016,749	15,054,157
Unrestricted federal aid	71,121	269,607	262,335	228,083	2,152,670
Total general revenues	<u>92,429,415</u>	<u>86,722,810</u>	<u>100,026,354</u>	<u>113,210,576</u>	<u>118,189,609</u>
Changes in Net Position	<u>\$ (4,486,828)</u>	<u>\$ (8,740,465)</u>	<u>\$ 7,974,840</u>	<u>\$ 24,973,411</u>	<u>\$ 24,973,377</u>

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

(Concluded)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General Fund:					
Nonspendable	\$ 970,204	\$ 1,303,662	\$ 1,254,937	\$ 1,137,422	\$ 1,150,182
Restricted	31,150,991				
Unassigned	22,837,666	26,212,529	20,688,505	19,173,417	15,050,210
Total General Fund	<u>\$ 54,958,861</u>	<u>\$ 27,516,191</u>	<u>\$ 21,943,442</u>	<u>\$ 20,310,839</u>	<u>\$ 16,200,392</u>
All Other Governmental Funds:					
Nonspendable	\$	\$	\$	\$	\$
Restricted	47,120,367	42,501,259	44,678,543	41,640,088	41,603,105
Unassigned	(754,710)	(888,420)		(798)	
Total all other governmental funds	<u>\$ 46,365,657</u>	<u>\$ 41,612,839</u>	<u>\$ 44,678,543</u>	<u>\$ 41,639,290</u>	<u>\$ 41,603,105</u>

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
General Fund:					
Nonspendable	\$ 1,138,273	\$ 1,285,931	\$ 3,360,675	\$ 910,355	\$
Unassigned	3,774,937	8,934,837	10,795,232	25,046,751	
Reserved					2,529,175
Unreserved					7,743,525
Total General Fund	<u>\$ 4,913,210</u>	<u>\$ 10,220,768</u>	<u>\$ 14,155,907</u>	<u>\$ 25,957,106</u>	<u>\$ 10,272,700</u>
All Other Governmental Funds:					
Nonspendable	\$	\$ 63,910	\$ 86,072	\$ 78,505	\$
Restricted	26,687,900	52,192,128	36,360,957	36,523,361	
Unassigned		(637,900)	(108,115)	(47,807)	
Reserved					72,108
Unreserved, reported in:					
Special revenue funds					23,916,489
Capital projects funds					34,384,152
Debt service fund					1,794,671
Total all other governmental funds	<u>\$ 26,687,900</u>	<u>\$ 51,618,138</u>	<u>\$ 36,338,914</u>	<u>\$ 36,554,059</u>	<u>\$ 60,167,420</u>

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

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

(Concluded)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Federal sources:					
Federal grants	\$ 5,361,134	\$ 5,395,995	\$ 5,876,031	\$ 5,624,833	\$ 4,991,155
Education Jobs					
National School Lunch Program	1,168,731	1,172,592	1,268,898	1,120,191	1,136,912
Total federal sources	<u>6,529,865</u>	<u>6,568,587</u>	<u>7,144,929</u>	<u>6,745,024</u>	<u>6,128,067</u>
State sources:					
State equalization assistance	20,162,355	17,077,708	17,431,458	18,479,379	15,657,281
State grants	1,547,613	1,324,678	1,552,257	1,590,194	1,637,409
School Facilities Board	348,122	8,075			
Other revenues	9,146,446	8,462,295	6,865,206	6,887,907	6,234,221
Total state sources	<u>31,204,536</u>	<u>26,872,756</u>	<u>25,848,921</u>	<u>26,957,480</u>	<u>23,528,911</u>
Local sources:					
Property taxes	87,249,091	82,468,345	85,205,056	81,771,743	85,633,367
County aid	1,025,537	767,823	545,411	906,864	812,938
Food service sales	1,800,223	1,762,574	1,866,225	1,845,413	1,904,838
Investment income	1,710,967	699,510	378,637	340,504	214,089
Other revenues	13,891,976	11,976,622	12,675,504	13,754,989	13,979,108
Total local sources	<u>105,677,794</u>	<u>97,674,874</u>	<u>100,670,833</u>	<u>98,619,513</u>	<u>102,544,340</u>
Total revenues	<u><u>\$ 143,412,195</u></u>	<u><u>\$ 131,116,217</u></u>	<u><u>\$ 133,664,683</u></u>	<u><u>\$ 132,322,017</u></u>	<u><u>\$ 132,201,318</u></u>

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Federal sources:					
Federal grants	\$ 4,723,230	\$ 5,722,536	\$ 5,667,066	\$ 6,545,450	\$ 6,642,337
State Fiscal Stabilization (ARRA)				228,083	2,152,670
Education Jobs			1,282,140	1,381,297	
National School Lunch Program	930,548	906,753	567,858	224,128	91,647
Total federal sources	<u>5,653,778</u>	<u>6,629,289</u>	<u>7,517,064</u>	<u>8,378,958</u>	<u>8,886,654</u>
State sources:					
State equalization assistance	13,774,668	11,107,219	5,074,636	12,095,873	10,770,218
State grants	1,432,536	1,241,820	1,108,694	482,680	598,746
School Facilities Board					
Other revenues	6,490,023	4,803,982	5,677,137	4,225,632	4,051,298
Total state sources	<u>21,697,227</u>	<u>17,153,021</u>	<u>11,860,467</u>	<u>16,804,185</u>	<u>15,420,262</u>
Local sources:					
Property taxes	70,686,459	69,551,857	88,178,915	94,685,405	97,910,610
County aid	994,455	725,751	655,473		582,151
Food service sales	1,977,377	2,107,033	2,542,887	2,801,851	2,838,506
Investment income	208,377	172,439	313,001	702,167	810,306
Other revenues	11,728,782	12,445,411	9,563,516	12,399,114	15,224,557
Total local sources	<u>85,595,450</u>	<u>85,002,491</u>	<u>101,253,792</u>	<u>110,588,537</u>	<u>117,366,130</u>
Total revenues	<u><u>\$ 112,946,455</u></u>	<u><u>\$ 108,784,801</u></u>	<u><u>\$ 120,631,323</u></u>	<u><u>\$ 135,771,680</u></u>	<u><u>\$ 141,673,046</u></u>

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

(Concluded)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Expenditures:					
Current -					
Instruction	\$ 61,948,551	\$ 56,635,936	\$ 57,273,594	\$ 55,696,977	\$ 53,993,320
Support services - students and staff	17,789,824	15,909,246	16,005,656	15,165,680	14,229,851
Support services - administration	12,831,607	12,610,542	12,488,460	12,072,301	11,796,612
Operation and maintenance of plant services	15,622,262	15,139,981	14,986,032	14,657,096	14,553,806
Student transportation services	4,134,148	3,982,657	3,993,114	3,694,513	4,003,984
Operation of non-instructional services	4,753,130	4,672,077	5,110,727	4,966,560	4,783,835
Capital outlay	9,080,829	12,476,735	12,274,164	14,152,368	24,699,875
Debt service -					
Claims and judgements					
Interest and fiscal charges	2,914,244	3,028,193	3,016,784	3,557,130	3,142,036
Principal retirement	4,655,000	4,415,000	4,305,000	4,200,000	4,500,000
Bond issuance costs			259,450		178,594
Total expenditures	<u>\$ 133,729,595</u>	<u>\$ 128,870,367</u>	<u>\$ 129,712,981</u>	<u>\$ 128,162,625</u>	<u>\$ 135,881,913</u>
Expenditures for capitalized assets	\$ 3,217,485	\$ 5,404,714	\$ 5,678,717	\$ 8,136,334	\$ 17,958,656
Debt service as a percentage of noncapital expenditures	6%	6%	6%	6%	6%

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Expenditures:					
Current -					
Instruction	\$ 54,161,253	\$ 54,342,987	\$ 56,990,778	\$ 53,704,911	\$ 58,499,122
Support services - students and staff	13,725,010	13,548,557	13,155,119	14,350,033	13,251,846
Support services - administration	12,424,405	11,316,962	10,079,684	9,725,142	9,463,534
Operation and maintenance of plant services	14,844,638	14,392,666	14,178,512	14,925,947	14,408,073
Student transportation services	4,219,144	3,824,477	3,318,164	3,165,396	2,813,664
Operation of non-instructional services	4,679,928	4,615,772	4,289,609	4,386,270	3,905,618
Capital outlay	32,450,692	19,358,589	20,817,147	15,419,653	16,655,588
Debt service -					
Claims and judgements					
Interest and fiscal charges	3,376,362	2,070,658	2,702,272	3,560,860	4,764,515
Principal retirement	4,750,000	5,993,369	22,090,000	22,850,000	22,055,000
Payment to refunded bond escrow agent					
Bond issuance costs		160,000			
Total expenditures	<u><u>\$ 144,631,432</u></u>	<u><u>\$ 129,624,037</u></u>	<u><u>\$ 147,621,285</u></u>	<u><u>\$ 142,088,212</u></u>	<u><u>\$ 145,816,960</u></u>
Expenditures for capitalized assets	\$ 28,563,342	\$ 12,465,515	\$ 14,899,697	\$ 8,833,631	\$ 14,216,407
Debt service as a percentage of noncapital expenditures	7%	7%	19%	20%	20%

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

(Concluded)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Excess (deficiency) of revenues over expenditures	\$ 9,682,600	\$ 2,245,850	\$ 3,951,702	\$ 4,159,392	\$ (3,680,595)
Other financing sources (uses):					
School improvement bond issued					29,525,000
Refunding bonds issued			23,400,000		
Premium on sale of bonds			2,097,485		886,359
Capital lease agreements					
Transfers in	317,236	278,127	232,493	395,881	1,078,899
Transfers out	(317,236)	(278,127)	(232,493)	(395,881)	(1,078,899)
Payment to refunded bond escrow agent			(25,109,666)		
Proceeds from sale of capital assets	22,788,802	212,470	214,820		
Insurance recoveries	57,544				
Total other financing sources (uses)	<u>22,846,346</u>	<u>212,470</u>	<u>602,639</u>		<u>30,411,359</u>
Changes in fund balances	<u>\$ 32,528,946</u>	<u>\$ 2,458,320</u>	<u>\$ 4,554,341</u>	<u>\$ 4,159,392</u>	<u>\$ 26,730,764</u>
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Excess (deficiency) of revenues over expenditures	\$ (31,684,977)	\$ (20,839,236)	\$ (26,989,962)	\$ (6,316,532)	\$ (4,143,914)
Other financing sources (uses):					
School improvement bond issued		45,475,000			
Refunding bonds issued					
Premium on sale of bonds		1,280,497			
Transfers in	301,828	9,548,736	150,911	318,294	219,532
Transfers out	(301,828)	(9,548,736)	(150,911)	(318,294)	(219,532)
Payment to refunded bond escrow agent		(12,475,270)			
Total other financing sources (uses)		<u>34,280,227</u>	<u>12,515,731</u>		
Changes in fund balances	<u>\$ (31,684,977)</u>	<u>\$ 13,440,991</u>	<u>\$ (14,474,231)</u>	<u>\$ (6,316,532)</u>	<u>\$ (4,143,914)</u>

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NET LIMITED ASSESSED VALUE AND FULL CASH VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Commercial, Industrial, Utilities and Mining	\$ 1,531,063,255	\$ 1,475,962,174	\$ 1,411,961,258	\$ 1,369,931,990	\$ 1,344,952,918
Agricultural and Vacant	49,099,834	48,961,255	48,954,904	54,902,575	56,860,562
Residential (Owner Occupied)	1,280,595,633	1,220,293,381	1,164,099,881	1,114,603,844	1,076,970,077
Residential (Rental)	639,256,967	585,981,998	536,713,903	484,955,016	443,939,153
Railroad, Private Cars and Airlines	2,759,213	3,006,311	2,991,645	3,328,436	3,568,144
Historical Property	3,229,286	5,400,480	5,507,068	5,496,547	5,666,131
Certain Government Property Improvements	23,942	47,710	71,128	64,793	114,263
Total	<u>\$ 3,506,028,130</u>	<u>\$ 3,339,653,309</u>	<u>\$ 3,170,299,787</u>	<u>\$ 3,033,283,201</u>	<u>\$ 2,932,071,248</u>
Gross Full Cash Value	\$ 45,170,743,451	\$ 42,463,023,749	\$ 39,953,300,474	\$ 35,736,891,953	\$ 30,499,334,599
Ratio of Net Limited Assessed Value to Gross Full Cash Value	8%	8%	8%	8%	10%
Total Direct Rate	2.64	2.66	2.89	2.88	3.06

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Commercial, Industrial, Utilities and Mining	\$ 1,375,228,054	\$ 1,574,745,806	\$ 1,748,519,619	\$ 2,222,001,023	\$ 2,213,628,087
Agricultural and Vacant	58,945,540	67,707,526	93,688,767	91,367,892	92,581,432
Residential (Owner Occupied)	1,007,930,407	1,156,618,558	1,370,279,537	1,605,545,969	1,728,016,334
Residential (Rental)	373,698,414	328,037,957	389,455,571	442,161,550	406,299,626
Railroad, Private Cars and Airlines	3,582,002	3,825,243	3,370,255	3,448,680	3,627,819
Historical Property	5,509,907	5,635,456	5,877,087	6,329,982	5,762,821
Certain Government Property Improvements	113,186	79,981	36,342	13,320	16,635
Total	<u>\$ 2,825,007,510</u>	<u>\$ 3,136,650,527</u>	<u>\$ 3,611,227,178</u>	<u>\$ 4,370,868,416</u>	<u>\$ 4,449,932,754</u>
Gross Full Cash Value	\$ 27,996,793,620	\$ 28,760,346,473	\$ 33,325,539,824	\$ 39,732,436,063	\$ 43,380,165,352
Ratio of Net Limited Assessed Value to Gross Full Cash Value	10%	11%	11%	11%	10%
Total Direct Rate	2.66	2.42	2.57	2.29	2.22

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
NET FULL CASH ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

Class	Fiscal Year				
	2019	2018	2017	2016	2015
Commercial, Industrial, Utilities and Mining	\$ 1,935,796,614	\$ 1,842,770,374	\$ 1,698,352,264	\$ 1,493,492,230	\$ 1,360,388,743
Agricultural and Vacant	69,028,776	68,937,503	64,155,256	66,215,014	59,501,866
Residential (Owner Occupied)	1,544,722,181	1,472,874,360	1,449,664,927	1,356,045,599	1,133,972,826
Residential (Rental)	921,173,771	815,650,664	729,978,170	627,612,627	502,084,882
Railroad, Private Cars and Airlines	3,350,775	3,524,814	3,211,825	3,394,858	3,603,253
Historical Property	3,890,070	5,973,550	6,501,809	6,446,828	7,125,835
Certain Government Property Improvements	28,898	52,702	78,765	67,979	114,263
Total	\$ 4,477,991,085	\$ 4,209,783,967	\$ 3,951,943,016	\$ 3,553,275,135	\$ 3,066,791,668
Gross Full Cash Value	\$ 45,170,743,451	\$ 42,463,023,749	\$ 39,953,300,474	\$ 35,736,891,953	\$ 30,499,334,599
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10%	10%	10%	10%	10%
Estimated Net Full Cash Value	\$ 34,339,696,998	\$ 32,185,387,675	\$ 30,331,442,167	\$ 26,791,664,296	\$ 22,631,583,137
Total Direct Rate	2.64	2.66	2.89	2.88	3.06

Class	Fiscal Year				
	2014	2013	2012	2011	2010
Commercial, Industrial, Utilities and Mining	\$ 1,379,388,741	\$ 1,582,649,621	\$ 1,760,757,460	\$ 2,415,393,187	\$ 2,582,124,689
Agricultural and Vacant	60,526,613	69,316,147	100,091,144	111,187,280	129,249,765
Residential (Owner Occupied)	1,008,699,463	1,157,123,514	1,371,708,377	1,611,953,345	1,910,957,731
Residential (Rental)	384,459,642	328,114,802	390,480,501	469,469,813	501,011,137
Railroad, Private Cars and Airlines	3,616,683	3,900,144	3,771,696	4,133,715	4,297,367
Historical Property	7,197,393	7,158,425	8,013,466	9,230,861	7,489,991
Certain Government Property Improvements	113,186	79,981	36,359	13,320	16,635
Total	\$ 2,844,001,721	\$ 3,148,342,634	\$ 3,634,859,003	\$ 4,621,381,521	\$ 5,135,147,315
Gross Full Cash Value	\$ 27,996,793,620	\$ 28,760,346,473	\$ 33,325,539,824	\$ 39,732,436,063	\$ 43,380,165,352
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10%	11%	11%	12%	12%
Estimated Net Full Cash Value	\$ 20,349,028,030	\$ 22,321,339,604	\$ 26,022,886,158	\$ 32,086,087,662	\$ 35,640,888,778
Total Direct Rate	2.66	2.42	2.57	2.29	2.22

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

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
PROPERTY TAX ASSESSMENT RATIOS
LAST TEN FISCAL YEARS

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

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Commercial, Industrial, Utilities and Mining	19 %	19 %	20 %	21 %	22 %
Agricultural and Vacant	16	16	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	16	15	15	17	18

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

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

**TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Overlapping Rates													District Direct Rates		
	State Equalization	County	County Free Library	Flood Control District	Community College District	Fire District Assistance	Central Arizona Water	City of Tempe	City of Phoenix	City of Chandler	Tempe Elementary	Kyrene Elementary	East Valley			
											School District No. 3	School District No. 28	Inst. of Technology			
											Primary	Secondary	Total			
2019	0.47	1.40	0.06	0.18	1.38	0.01	0.14	2.42	2.14	1.14	4.90	3.97	0.05	1.99	0.65	2.64
2018	0.49	1.40	0.06	0.18	1.41	0.01	0.14	2.49	2.16	1.14	5.05	3.98	0.05	2.06	0.60	2.66
2017	0.50	1.40	0.06	0.18	1.47	0.01	0.14	2.53	2.17	1.16	5.28	4.38	0.05	2.23	0.66	2.89
2016	0.51	1.36	0.06	0.16	1.49	0.01	0.14	2.52	1.82	1.18	5.47	4.01	0.05	2.22	0.66	2.88
2015	0.51	1.32	0.06	0.14	1.52	0.01	0.14	2.43	1.82	N/A	5.75	4.03	0.05	2.43	0.63	3.06
2014	N/A	1.28	0.04	0.14	1.53	0.01	0.14	2.66	1.82	N/A	6.16	4.28	0.05	2.01	0.64	2.66
2013	N/A	1.24	0.05	0.18	1.37	0.01	0.10	2.14	1.82	N/A	5.57	3.18	0.05	1.81	0.61	2.42
2012	N/A	1.24	0.05	0.18	1.21	0.01	0.10	1.79	1.82	N/A	3.99	3.35	0.05	1.61	0.96	2.57
2011	N/A	1.05	0.41	0.15	0.18	0.01	0.10	1.40	1.82	N/A	3.60	3.21	0.05	1.46	0.83	2.29
2010	N/A	0.99	0.04	0.14	0.16	0.01	0.10	1.40	1.82	1.18	3.28	2.27	0.05	1.71	0.51	2.22

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

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR

Taxpayer	2019		2010	
	Net Limited Assessed Valuation	Percentage of District's Net Limited Assessed Valuation	Net Full Cash Assessed Valuation	Percentage of District's Net Full Cash Assessed Valuation
Verizon Wireless	\$ 28,732,908	0.82 %	\$	%
Arizona Public Service Company	25,102,479	0.72		
Arizona Mills Mall LLC	19,397,626	0.55	39,107,974	0.76
Arizona Grand Resort LLC	14,097,016	0.40		
Cousins Fund II Phoenix IV LLC	10,833,116	0.31		
Qwest Corporation	10,048,808	0.29		
WPT Land 2 LP	8,900,184	0.25		
JDM II Tempe OC LLC	8,598,137	0.25		
JP Morgan Chase Bank NA	7,555,777	0.22		
Tempe Rio West Business Park LLC	7,341,667	0.21		
Intel Corporation			46,186,544	1.51
TWC Chandler, LLC			34,099,113	1.11
Pointe South Mountain Resort LLC			28,160,537	0.92
DDRA Awhwatukee Foothills LLC			20,526,534	0.67
LBA Realty Fund			15,993,122	0.52
Wells Fargo Bank			14,111,013	0.46
FLY (CD) LLC/AWHQ LLC			12,489,021	0.41
Tempe Fountainhead Corporate LLC			10,798,654	0.35
Target Corporation			10,226,585	0.33
Total	<u>\$ 140,607,718</u>	<u>4.02 %</u>	<u>\$ 231,699,097</u>	<u>7.04 %</u>

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

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
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
2019	\$ 93,502,755	\$ 89,207,367	95.41 %	\$	\$ 89,207,367	95.41 %
2018	88,607,787	84,177,912	95.00	4,393,760	88,571,672	99.96
2017	92,133,809	87,366,631	94.83	4,725,175	92,091,806	99.95
2016	87,906,676	86,483,051	98.38	1,402,148	87,885,199	99.98
2015	90,985,668	87,108,906	95.74	3,848,668	90,957,574	99.97
2014	75,484,758	71,528,341	94.76	3,934,343	75,462,684	99.97
2013	76,086,260	72,583,597	95.40	3,497,205	76,080,802	99.99
2012	93,031,771	88,830,837	95.48	3,437,601	92,268,438	99.18
2011	103,111,472	99,326,741	96.33	3,773,395	103,100,136	99.99
2010	104,461,819	96,677,562	92.55	4,551,084	101,228,646	96.90

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.

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	General Obligation Bonds						Total Outstanding Debt				
	General Obligation Bonds	Less:	Total	Percentage of	Per Capita	Capital Leases	Total	Percentage of	Per Capita	Percentage of Personal Income	
		Amounts		Estimated				Estimated			
		Restricted for Principal		Actual Value (Full Cash Value)				Actual Value (Full Cash Value)			
2019	\$ 90,659,884	\$ 499,396	\$ 90,160,488	0.20 %	\$ 287	\$	\$ 90,659,884	0.20 %	\$ 289	0.05 %	
2018	95,367,464	373,557	94,993,907	0.22	305		95,367,464	0.22	306	0.05	
2017	99,965,044	1,070,121	98,894,923	0.25	323		99,965,044	0.25	326	0.04	
2016	102,360,139	558,279	101,801,860	0.28	336		102,360,139	0.29	338	0.06	
2015	106,977,928	656,269	106,321,659	0.35	337		106,977,928	0.35	339	0.06	
2014	81,434,358	377,221	81,057,137	0.29	273		81,434,358	0.29	274	0.05	
2013	87,148,684	2,338,601	84,810,083	0.29	288		87,148,684	0.30	296	0.06	
2012	62,560,000	1,359,299	61,200,701	0.18	206	12,515,731	75,075,731	0.23	253	0.05	
2011	85,410,000	3,363,982	82,046,018	0.21	278		85,410,000	0.21	290	0.06	
2010	107,465,000	2,465,286	104,999,714	0.24	274		107,465,000	0.25	280	0.08	

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2019

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to School District</u>	<u>Estimated Amount Applicable to School District</u>
Overlapping:			
Maricopa County Community College District	\$ 380,740,000	8.77 %	\$ 33,390,898
City of Chandler	227,300,899	20.95	47,619,538
City of Phoenix	1,149,785,000	8.68	99,801,338
City of Tempe	381,652,000	98.20	374,782,264
City of Mesa	365,755,000	0.34	1,243,567
Tempe Elementary School District No. 3	154,495,000	100.00	154,495,000
Kyrene Elementary School District No. 28	248,438,112	100.00	248,438,112
Subtotal, Overlapping Debt			<u>959,770,717</u>
Direct:			
Tempe Union High School District No. 213			<u>90,659,884</u>
Total Direct and Overlapping Governmental Activities Debt			<u><u>\$ 1,050,430,601</u></u>

DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS

Net Direct General Obligation Bonded Debt	
As a Percentage of Net Limited Assessed Valuation	2.57 %
Net Direct and Overlapping General Bonded Debt	
Per Capita	\$ 3,347
As a Percentage of Net Limited Assessed Valuation	29.95 %
As a Percentage of Gross Full Cash Value	2.32 %

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

- Notes:** 1) Estimated percentage of debt outstanding applicable to the District is calculated based on a portion of the District's net limited assessed valuation as a percentage of the net limited assessed valuation of the overlapping jurisdiction.
- 2) Outstanding debt as of June 30, 2018 is presented for the overlapping governments as this is the most recent available information.

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

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

Net full cash assessed valuation	\$ 4,477,991,085
Debt limit (10% of assessed value)	447,799,109
Debt applicable to limit	<u>87,580,000</u>
Legal debt margin	<u>\$ 360,219,109</u>

Total Legal Debt Margin Calculation for Fiscal Year 2019:

Net full cash assessed valuation	\$ 4,477,991,085
Debt limit (15% of assessed value)	671,698,663
Debt applicable to limit	<u>87,580,000</u>
Legal debt margin	<u>\$ 584,118,663</u>

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Debt Limit	\$ 671,698,663	\$ 631,467,595	\$ 592,791,452	\$ 532,991,270	\$ 460,018,750
Total net debt applicable to limit	<u>87,580,000</u>	<u>91,995,000</u>	<u>96,300,000</u>	<u>100,500,000</u>	<u>105,000,000</u>
Legal debt margin	<u>\$ 584,118,663</u>	<u>\$ 539,472,595</u>	<u>\$ 496,491,452</u>	<u>\$ 432,491,270</u>	<u>\$ 355,018,750</u>
Total net debt applicable to the limit as a percentage of debt limit	13%	15%	16%	19%	23%
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Debt Limit	\$ 426,600,258	\$ 472,251,395	\$ 545,228,850	\$ 693,205,230	\$ 770,272,096
Total net debt applicable to limit	<u>75,475,000</u>	<u>85,945,000</u>	<u>62,560,000</u>	<u>85,410,000</u>	<u>107,465,000</u>
Legal debt margin	<u>\$ 351,125,258</u>	<u>\$ 386,306,395</u>	<u>\$ 482,668,850</u>	<u>\$ 607,795,230</u>	<u>\$ 662,807,096</u>
Total net debt applicable to the limit as a percentage of debt limit	18%	18%	11%	12%	14%

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.

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

Year	Population	Personal Income (thousands)	Per Capita Income	Unemployment Rate	Estimated District Population
2018	4,294,460	\$ 196,286,191	\$ 45,573	4.1 %	313,696
2017	4,221,684	185,111,698	43,628	4.2	311,552
2016	4,137,076	280,120,037	40,415	4.5	306,630
2015	4,076,438	184,784,917	42,092	5.5	303,177
2014	4,087,191	168,483,421	41,222	5.9	315,198
2013	4,009,412	160,497,824	40,030	6.7	296,817
2012	3,884,705	154,926,697	39,300	7.1	294,788
2011	3,843,370	148,593,801	38,411	8.4	296,393
2010	4,192,887	142,864,275	37,352	9.2	294,889
2009	4,023,331	142,091,618	35,319	9.1	383,692

Sources: The source of the "Personal Income" and "Per Capita" information is the Bureau of Economic Analysis. The source of the "Population" and "Unemployment Rate" information from 2009 through 2010 is the University of Arizona, Eller College of Management, Economic and Business Research Center. For 2011 and 2018, the source of the information is the Arizona Office of Employment and Population Statistics.

**TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

Employer	2019		2010	
	Employees	Percentage of Total Employment	Employees	Percentage of Total Employment
Intel Corporation	11,300	9.42 %		
Arizona State University	11,185	9.32	10,089	8.93 %
Maricopa Community College	4,611	3.84		
Salt River Project	4,374	3.65	3,331	2.95
Safeway Inc	3,996	3.33		
Wells Fargo Bank	3,576	2.98	3,636	3.22
Motorola	3,000	2.50	4,779	4.23
Honeywell	3,000	2.50	3,000	2.66
Kyrene School District	2,401	2.00	2,245	1.99
JP Morgan Chase	2,377	1.98	2,377	2.10
Freescale			2,800	2.48
Bank One Corporation			2,000	1.77
Tempe Elementary District			1,900	1.68
Total	<u>49,820</u>	<u>41.52 %</u>	<u>36,157</u>	<u>32.01 %</u>
Total employment	<u>120,000</u>		<u>112,956</u>	

Source: The source of this information is City of Tempe, Community Development Department.

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS

	Full-time Equivalent Employees as of June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Supervisory					
Superintendent	1	1	1	1	1
Assistant superintendents	3	3	3	3	3
Principals	7	7	7	7	7
Assistant principals	22	22	22	19	19
Total supervisory	<u>33</u>	<u>33</u>	<u>33</u>	<u>30</u>	<u>30</u>
Instruction					
Teachers	631	619	631	629	635
Other professionals (instructional)		10			
Aides	71	74	71	73	76
Total instruction	<u>702</u>	<u>703</u>	<u>702</u>	<u>702</u>	<u>711</u>
Student Services					
Nurses	8	8	8	7	9
Counselors/Advisors	35	34	34	34	34
Librarians	6	6	6	6	6
Technicians					
Other instructional support	68	65	65	59	53
Total student services	<u>117</u>	<u>113</u>	<u>113</u>	<u>106</u>	<u>102</u>
Support and Administration					
Clerical workers	70	68	69	68	78
Maintenance workers	119	121	122	122	123
Bus Drivers	41	44	48	53	48
Food Service workers	33	34	36	36	36
Other classified	206	194	188	191	183
Service Workers					
Total support and administration	<u>469</u>	<u>461</u>	<u>463</u>	<u>470</u>	<u>468</u>
Total	<u><u>1,321</u></u>	<u><u>1,310</u></u>	<u><u>1,311</u></u>	<u><u>1,308</u></u>	<u><u>1,311</u></u>

(Continued)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Supervisory					
Superintendent	1	1	1	1	1
Assistant superintendents	3	2	2		
Principals	7	7	7	7	7
Assistant principals	19	19	19	19	19
Total supervisory	<u>30</u>	<u>29</u>	<u>29</u>	<u>27</u>	<u>27</u>
Instruction					
Teachers	646	648	639	640	635
Other professionals (instructional)		21	19		
Aides	85	97	100	121	117
Total instruction	<u>731</u>	<u>766</u>	<u>758</u>	<u>761</u>	<u>752</u>
Student Services					
Nurses	9	9	9		
Counselors/Advisors	34	33	33		
Librarians	6	6	6	6	6
Technicians			18		
Other instructional support	55	39	58	107	101
Total student services	<u>104</u>	<u>87</u>	<u>124</u>	<u>113</u>	<u>107</u>
Support and Administration					
Clerical workers	69	115	124		
Maintenance workers	125	133	131		
Bus Drivers	45	46	53		
Food Service workers	40	67	51		
Other classified	205	34	23	282	244
Service Workers		122	71	170	186
Total support and administration	<u>484</u>	<u>517</u>	<u>453</u>	<u>452</u>	<u>430</u>
Total	<u>1,349</u>	<u>1,399</u>	<u>1,364</u>	<u>1,353</u>	<u>1,316</u>

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

(Concluded)

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Average Daily Membership	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil- Teacher Ratio	Percentage of Free/Reduced Students
2019	13,329	\$ 117,079,522	\$ 8,784	9.66 %	\$ 127,007,616	\$ 9,529	5.49 %	702	19.0	33.7 %
2018	13,602	108,950,439	8,010	(1.34)	122,846,940	9,032	(2.68)	703	19.3	37.3
2017	13,532	109,857,583	8,118	5.91	125,580,988	9,280	5.50	702	19.3	35.0
2016	13,861	106,253,127	7,666	1.79	121,923,836	8,796	(0.34)	702	19.7	34.0
2015	13,725	103,361,408	7,531	(0.04)	121,141,061	8,826	3.46	711	19.3	27.6
2014	13,811	104,054,378	7,534	1.06	117,826,470	8,531	(0.76)	731	18.9	32.4
2013	13,688	102,041,421	7,455	(0.76)	117,669,038	8,597	3.75	766	17.9	28.9
2012	13,580	102,011,866	7,512	1.58	112,520,452	8,286	0.24	758	17.9	22.2
2011	13,558	100,257,699	7,395	(7.20)	112,067,580	8,266	(10.55)	761	17.8	61.9
2010	12,844	102,341,857	7,968	2.43	118,688,245	9,241	1.29	752	17.1	72.2

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

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

TEMPE UNION HIGH SCHOOL DISTRICT NO. 213
CAPITAL ASSETS INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30									
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<u>Schools</u>										
<u>High</u>										
Buildings	77	77	77	77	77	77	75	75	75	75
Square feet	2,218,103	2,218,103	2,218,103	2,218,103	2,218,103	2,218,103	2,051,028	2,051,028	2,051,028	2,051,028
Capacity	19,680	19,680	18,511	18,511	18,511	18,511	18,511	18,511	18,511	18,511
Enrollment	13,312	13,670	13,561	13,827	13,747	13,789	13,643	13,545	13,636	13,242
<u>Administrative</u>										
Buildings	8	8	8	8	8	8	8	8	8	8
Square feet	176,300	176,300	176,300	176,300	176,300	176,300	176,300	176,300	176,300	176,300
<u>Transportation</u>										
Garages	1	1	1	1	1	1	1	1	1	1
Buses	110	110	108	109	99	99	99	103	111	107
<u>Athletics</u>										
Football fields	12	12	12	12	12	12	12	12	12	12
Soccer fields	6	6	6	6	6	6	6	6	6	6
Running tracks	6	6	6	6	6	6	6	6	6	6
Baseball/softball	24	24	24	24	24	24	24	24	24	24
Swimming pools	1	1	1	1	1	1	1	1	1	1

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

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