
Tolleson Elementary School District No. 17

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2024



Tolleson Elementary School District No. 17

Tolleson, Arizona

**Annual Comprehensive Financial Report
Fiscal Year Ended June 30, 2024**

Issued by:
Business and Finance Department

Tolleson Elementary School District No. 17

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Introductory Section

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Tolleson Elementary School District No. 17

9261 W. Van Buren • Tolleson, AZ 85353
(623) 533-3900 • FAX (623) 533-3934

The Governing Board

Anthony J. Aponte
Roberta A. Garcia
Tida M. Garcia
Belinda Quezada
Samuel A. Quezada, Jr.

Superintendent

Dr. Lupita Hightower

December 11, 2024

Citizens and Governing Board
Tolleson Elementary School District No. 17
9261 West Van Buren Street
Tolleson, Arizona 85353

State law mandates that school districts required to undergo an annual single audit publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States by a certified public accounting firm licensed in the State of Arizona. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the Tolleson Elementary School District No. 17 (District) for the fiscal year ended June 30, 2024.

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, 2024, 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, 2024, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

Profile of the District

The District is one of 58 public school districts located in Maricopa County, Arizona. It provides a program of public education from kindergarten through grade 8, with a fiscal year 2023-24 un-weighted average daily membership of 2,561.

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 in accordance with Board established policies. The Board, through its policies also has broad financial responsibilities, including the approval of the annual budget, and the establishment of a system of accounting and budgetary controls. The Board and administration evaluate the effects of the District's policies and revise them as necessary. There were no significant revisions of the District's financial policies that would impact the current period's financial statements.

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

The Tolleson Elementary School District No. 17 is located 14 miles west of downtown Phoenix. The City of Tolleson, a portion of southwest Phoenix and the northeast section of the City of Avondale are included within the area served by the District. The District encompasses an area of approximately 6.25 square miles.

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

Factors Affecting Financial Condition

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

Local Economy. The economy of the cities of Tolleson and Avondale and of Maricopa County, in general, is a mixture of farming, commercial enterprises, light manufacturing and food processing. The largest employers represented by major firms in the Tolleson area are Banner Health Systems, Amazon, Intel, Walmart, and Pepsi Co. In recent years, the City of Tolleson has been successful in attracting businesses to locate their warehouse facilities in the City due to the freeway, railroad and airline accessibility. This has been and will continue to be a positive contributing factor to the District's potential economic growth for many years to come.

In addition, the metropolitan area provides excellent educational and training opportunities through seven community colleges, four private colleges and graduate schools, and two state universities.

Maricopa County is in the south-central portion of Arizona and encompasses an area of approximately 9,226 square miles. Its boundaries encompass the cities of Phoenix, Scottsdale, Mesa, Tempe, Glendale, Chandler, and such towns as Gilbert, Paradise Valley and Fountain Hills. Maricopa County is currently the nation's fourth largest county in terms of population size and the 14th in land area. The County's 2024 population was estimated at 4.6 million and is still expected to reach 6.0 million by 2030.

Maricopa County continues to have a very wide range of economic sectors supporting its potential growth. Maricopa County has, for some time, enjoyed an unemployment rate that was somewhat lower than the national average.

Service is the largest employment sector in the County, partly fueled by the tourism industry, which as most service industries, have had the most decline during the pandemic. The County still 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.

Long-term Financial Planning. In November 2024, the District's voters approved an increase and continuation of the seven-year, \$750,000 per year capital override originally passed in 2018, with an additional \$1.0 million allocated for the 2026 fiscal year. The funds will be used to upgrade classroom technology, refurbish school buildings, purchase transportation equipment, and enhance instructional materials, safety, and security.

Also in November 2024, voters renewed a 15% Maintenance and Operations (M&O) override, generating over \$2.8 million in additional revenue for the 2025 fiscal year. This funding will support essential programs, including full-day Kindergarten, Art, Technology, Physical Education (PE), and various music classes, such as Mariachi, Marching and Concert Bands, Latin Jazz, and Jazz Music. The override will also sustain vital support services, including a Social Worker, four Counselors, Alternative Education programs, and expanded Athletic opportunities.

In November 2023, voters approved \$30 million in general obligation bonds to enhance safety, security, and facilities. These funds will be directed toward renovations and improvements to existing school buildings, upgrades to school grounds, and the replacement of outdated equipment. With the average age of the District's school buildings being 20 years, these investments will help ensure a safer, more modern learning environment for both students and staff.

Awards and Acknowledgments

Awards. The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2023. This was the 27th consecutive year that the District has received this prestigious award. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2023. In order to be awarded these certificates, the District published an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

These certificates are valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the programs' requirements and we are submitting it to ASBO and GFOA to determine its eligibility for the fiscal year ended June 30, 2024 certificates.

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

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

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Lupita Hightower', with a stylized flourish at the end.

Dr. Lupita Hightower
Superintendent

A handwritten signature in blue ink, appearing to read 'Anita Percell', with a stylized flourish at the end.

Ms. Anita Percell
Executive Director of Business Services



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Tolleson Elementary School District 17

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2023.**

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



A handwritten signature in black ink, reading 'Ryan S. Stechschulte'.

Ryan S. Stechschulte
President

A handwritten signature in black ink, reading 'James M. Rowan'.

James M. Rowan, CAE, SFO
CEO/Executive Director



Government Finance Officers Association

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

Presented to

**Tolleson Elementary School District No. 17
Arizona**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

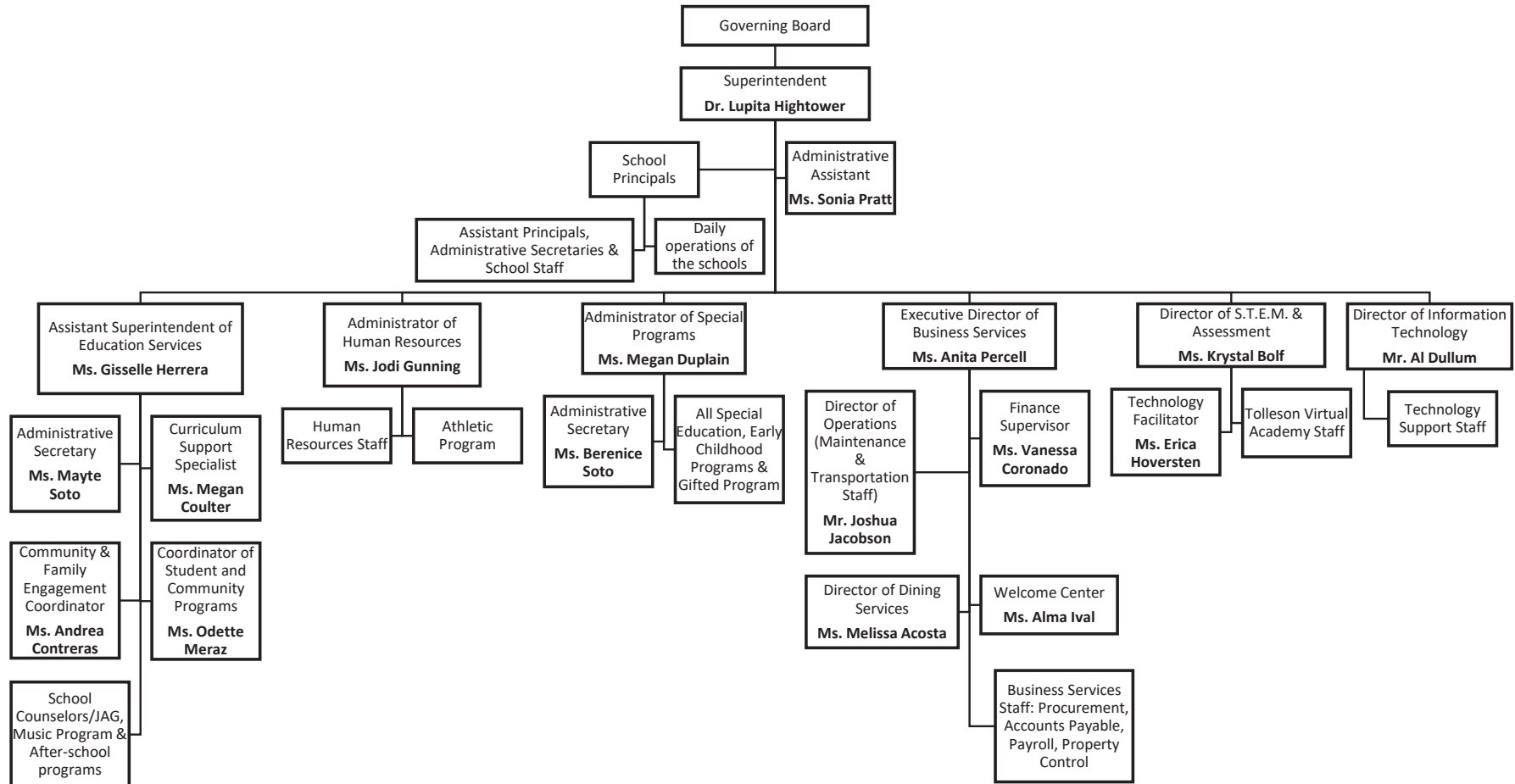
Executive Director/CEO



Tolleson Elementary School District No. 17

2023-24 Organizational Chart

As of July 1, 2023



Tolleson Elementary School District No. 17

List of Principal Officials

(As of June 30, 2024)

Governing Board

Tida Garcia, President

Roberta Garcia, Vice President

Belinda Quezada, Member

Anthony Aponte, Member

Samuel Quezada, Jr., Member

Administrative Staff

Dr. Lupita Hightower, Superintendent

Megan Duplain, Administrator of Special Programs

Jodi Gunning, Administrator of Human Resources

Anita Percell, Executive Director of Business Services

Gisselle Herrera, Executive Director of Curriculum & Instruction

Krystal Bolf, Director of S.T.E.M. and Assessment

Bradley Cruz, Director of Information Technology

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Financial Section

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Independent Auditor's Report

Governing Board
Tolleson Elementary School District No. 17

Report on Audit of Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tolleson Elementary School District No. 17 (District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Tolleson Elementary School District No. 17, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Tolleson Elementary School District No. 17 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Other Matters

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2024, on our consideration of Tolleson Elementary School District No. 17'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 Tolleson Elementary School District No. 17'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 Tolleson Elementary School District No. 17's internal control over financial reporting and compliance.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Scottsdale, Arizona
December 11, 2024

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

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Tolleson Elementary School District No. 17
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

As management of the Tolleson Elementary School District No. 17 (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, 2024. 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 \$4.3 million which represents a 10 percent increase from the prior fiscal year primarily due to an increase in property taxes and unrestricted state aid.
- General revenues accounted for \$31.3 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 \$11.0 million or 26 percent of total current fiscal year revenues.
- The District had approximately \$38.1 million in expenses related to governmental activities, an increase of three percent from the prior fiscal year.
- Among major funds, the General Fund had \$25.2 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$24.8 million in expenditures. The General Fund's fund balance increase from \$6.3 million at the prior fiscal year end to \$7.2 million at the end of the current fiscal year was primarily due to an increase in state aid.
- Net position for the Internal Service Fund increased \$179,173 from the prior fiscal year. Operating revenues of \$2.7 million exceeded operating expenses of \$2.6 million at the end of the current fiscal year.

Overview of Financial Statements

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

Tolleson Elementary School District No. 17
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

Overview of Financial Statements

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

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

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

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

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

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

Tolleson Elementary School District No. 17
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

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, Federal and State Grants, Food Service, Debt Service, Bond Building, and Other Capital Projects Funds, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and schedules.

Proprietary 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 uses its internal service fund to account for its employee benefit fund. Because this service predominantly benefits governmental functions, it has been included within governmental activities in the government-wide financial statements.

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

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

Tolleson Elementary School District No. 17
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

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 \$47.6 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 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 following table presents a summary of the District's net position for the fiscal years ended June 30, 2024 and June 30, 2023.

	As of June 30, 2024	As of June 30, 2023
Current and other assets	\$ 46,079,715	\$ 23,726,806
Capital assets, net	68,943,947	68,041,312
Total assets	<u>115,023,662</u>	<u>91,768,118</u>
Deferred outflows	<u>2,589,111</u>	<u>3,313,986</u>
Current and other liabilities	5,557,264	4,616,987
Long-term liabilities	62,869,133	45,248,926
Total liabilities	<u>68,426,397</u>	<u>49,865,913</u>
Deferred inflows	<u>1,632,318</u>	<u>1,939,682</u>
Net position:		
Net investment in capital assets	47,304,930	45,232,130
Restricted	11,601,890	10,249,545
Unrestricted	(11,352,762)	(12,205,166)
Total net position	<u>\$ 47,554,058</u>	<u>\$ 43,276,509</u>

At the end of the current fiscal year, the District reported positive balances in two categories of net position while unrestricted net position reported a deficit of \$11.4 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.

Tolleson Elementary School District No. 17
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

Government-Wide Financial Analysis

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

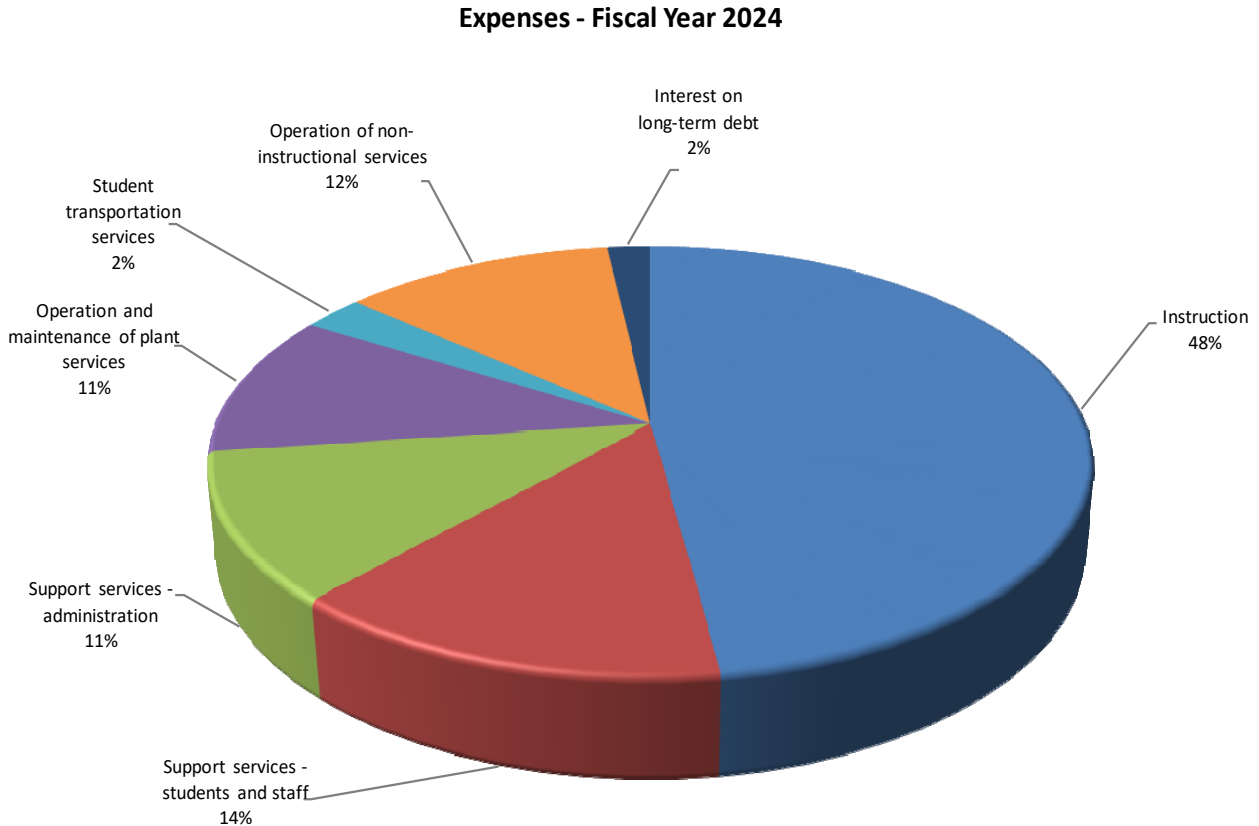
- The issuance of \$18.5 million in school improvement bonds.
- The addition of \$3.2 million in capital assets through land and school improvements and purchases of vehicles, furniture and equipment.
- The addition of \$2.3 million of accumulated depreciation/amortization.

Changes in net position. The District's total revenues for the current fiscal year were \$42.4 million. The total cost of all programs and services was \$38.1 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2024 and June 30, 2023.

	Fiscal Year Ended June 30, 2024	Fiscal Year Ended June 30, 2023
Revenues:		
Program revenues:		
Charges for services	\$ 651,952	\$ 478,372
Operating grants and contributions	8,893,511	9,830,971
Capital grants and contributions	1,498,097	1,532,251
General revenues:		
Property taxes	11,561,080	11,099,586
Investment income	529,878	318,178
Unrestricted state aid	18,824,138	17,068,895
Unrestricted federal aid	395,871	298,677
Total revenues	<u>42,354,527</u>	<u>40,626,930</u>
Expenses:		
Instruction	18,218,540	19,097,475
Support services - students and staff	5,309,417	4,931,892
Support services - administration	4,251,908	4,249,590
Operation and maintenance of plant services	4,080,979	3,497,128
Student transportation services	1,012,078	895,847
Operation of non-instructional services	4,502,702	3,527,435
Interest on long-term debt	701,354	793,807
Total expenses	<u>38,076,978</u>	<u>36,993,174</u>
Changes in net position	4,277,549	3,633,756
Net position, beginning	43,276,509	39,642,753
Net position, ending	<u>\$ 47,554,058</u>	<u>\$ 43,276,509</u>

Tolleson Elementary School District No. 17
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

Government-Wide Financial Analysis



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

- An increase of \$1.8 million in unrestricted state aid is primarily due to an increase in State Equalization Assistance.
- A decrease of \$937,460 in operating grants and contributions is primarily due to a decrease in COVID-19 grant monies.

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.

Tolleson Elementary School District No. 17
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

Government-Wide Financial Analysis

	Year Ended June 30, 2024		Year Ended June 30, 2023	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 18,218,540	\$ (14,068,930)	\$ 19,097,475	\$ (13,123,066)
Support services - students and staff	5,309,417	(3,940,922)	4,931,892	(3,254,731)
Support services - administration	4,251,908	(4,232,594)	4,249,590	(3,941,141)
Operation and maintenance of plant services	4,080,979	(2,348,062)	3,497,128	(3,014,477)
Student transportation services	1,012,078	(1,002,367)	895,847	(864,513)
Operation of non-instructional services	4,502,702	(739,189)	3,527,435	(159,845)
Interest on long-term debt	701,354	(701,354)	793,807	(793,807)
Total	<u>\$ 38,076,978</u>	<u>\$ (27,033,418)</u>	<u>\$ 36,993,174</u>	<u>\$ (25,151,580)</u>

- The cost of all governmental activities this year was \$38.1 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$11.0 million.
- Net cost of governmental activities of \$27.0 million was financed by general revenues, which are made up of primarily property taxes of \$11.6 million and state aid of \$18.8 million.

Financial Analysis of the District's Funds

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

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$34.8 million, an increase of \$21.7 million primarily due to the issuance of school improvements bonds.

Tolleson Elementary School District No. 17
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

Financial Analysis of the District's Funds

The General Fund comprises 21 percent of the total fund balance. Approximately \$6.5 million, or 91 percent of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District. The General Fund's fund balance increased \$859,795 to \$7.2 million as of the fiscal year end. General Fund revenues increased \$2.0 million due to an increase in state aid and grants as a result of an increase in Equalization Assistance.

The fund balance of Federal and State Projects increased \$2.0 million primarily due to timing of grant payments.

The fund balance of the Food Service Fund decreased \$905,479 primarily due to increases in contracted services.

The fund balance of the Debt Service Fund decreased by \$28,041 primarily due to debt service expenditures exceeding current year property tax revenues.

The fund balance of the Bond Building Fund increased by \$19.3 million primarily due to issuance of school improvement bonds.

The fund balance of the Other Capital Projects Fund decreased by \$493,681 primarily due to timing of School Facilities Board reimbursements.

Proprietary Fund. Unrestricted net position of the Internal Service Fund at the end of the fiscal year amounted to \$827,919. The increase of \$179,173 from the prior fiscal year was primarily due to operating revenues exceeding operating expenses.

Budgetary Highlights

Over the course of the year, the District revised the General Fund annual expenditure budget. The difference between the original budget and the final amended budget was a \$310,543 increase, or one percent.

Significant variances for the final amended budget and actual revenues resulted from the District not being required by the State of Arizona to prepare a revenue budget. A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund is provided in this report as required supplementary information. The favorable variance of \$1.2 million in instruction was the result of anticipated vacancies and specifically for contingency purposes.

Tolleson Elementary School District No. 17
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

Capital Assets and Debt Administration

Capital Assets. At year end, the District had invested \$97.2 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$296,813 primarily due to construction in progress in vehicles, furniture and equipment. Total depreciation/amortization expense for the year was \$2.3 million.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2024 and June 30, 2023.

	As of June 30, 2024	As of June 30, 2023
Capital assets - non-depreciable	\$ 10,061,585	\$ 7,933,165
Capital assets - depreciable, net	58,882,362	60,108,147
Total	<u>\$ 68,943,947</u>	<u>\$ 68,041,312</u>

The estimated cost to complete current construction projects is \$1.0 million.

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

Debt Administration. At year-end, the District had \$40.9 million in long-term debt outstanding, \$2.3 million due within one year. Long-term debt increased by \$18.1 million due to issuance of school improvement bonds.

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 \$74.1 million and the Class B debt limit is \$49.4 million which are more than the District's total outstanding general obligation and Class B debt respectively.

Additional information on the District's long-term debt can be found in Notes 8 and 9.

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 2024-25 budget. Among them:

- Fiscal year 2024-25 budget balance carry forward of \$2.2 million.
- District student population (estimated 2,628).

**Tolleson Elementary School District No. 17
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024**

Economic Factors and Next Year's Budget and Rates

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

Budgeted expenditures in the General Fund increased to \$45,373 in fiscal year 2024-25. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2024-25 budget.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business and Finance Department, Tolleson Elementary School District No. 17, 9261 West Van Buren Street, Tolleson, Arizona 85353.

Basic Financial Statements

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Government-Wide Financial Statements

Tolleson Elementary School District No. 17
Statement of Net Position
June 30, 2024

	Governmental Activities
Assets	
Current assets:	
Cash and investments	\$ 41,348,178
Property taxes receivable	151,120
Accounts receivable	92,844
Due from governmental entities	3,770,586
Inventory	28,040
Total current assets	<u>45,390,768</u>
Noncurrent assets:	
Net other postemployment benefit plan assets	688,947
Capital assets not being depreciated	10,061,585
Capital assets, net accumulated depreciation	58,882,362
Total noncurrent assets	<u>69,632,894</u>
Total assets	<u>115,023,662</u>
Deferred outflows of resources	
Pension plan items	2,527,496
Other postemployment benefit plan items	61,615
Total deferred outflows of resources	<u>2,589,111</u>
Liabilities	
Current liabilities:	
Accounts payable	3,448,818
Accrued payroll and employee benefits	456,095
Unearned revenues	1,229,101
Compensated absences payable	100,000
Bonds payable	2,300,000
Accrued interest payable	423,250
Total current liabilities	<u>7,957,264</u>
Noncurrent liabilities:	
Non-current portion of long-term obligations	60,469,133
Total noncurrent liabilities	<u>60,469,133</u>
Total liabilities	<u>68,426,397</u>
Deferred inflows of resources	
Pension plan items	1,331,379
Other postemployment benefit plan items	300,939
Total deferred inflows of resources	<u>1,632,318</u>
Net position	
Net investment in capital assets	47,304,930
Restricted for:	
Instruction	3,632,867
Food service	4,793,295
Non-instructional purposes	855,959
Debt service	161,974
Capital outlay	1,468,848
Other postemployment benefit plan assets	688,947
Unrestricted	(11,352,762)
Total net position	<u>\$ 47,554,058</u>

Tolleson Elementary School District No. 17
Statement of Activities
For the Year Ended June 30, 2024

					Net (Expense) Revenue and Changes in Net Position
Functions/Programs	Expenses	Program Revenue			Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
Instruction	\$ 18,218,540	\$ 463,919	\$ 3,470,314	\$ 215,377	\$ (14,068,930)
Support services - students and staff	5,309,417		1,368,495		(3,940,922)
Support services - administration	4,251,908		19,314		(4,232,594)
Operation and maintenance of plant services	4,080,979	10,260	439,937	1,282,720	(2,348,062)
Student transportation services	1,012,078		9,711		(1,002,367)
Operation of non-instructional services	4,502,702	177,773	3,585,740		(739,189)
Interest on long-term debt	701,354				(701,354)
Total governmental activities	<u>\$ 38,076,978</u>	<u>\$ 651,952</u>	<u>\$ 8,893,511</u>	<u>\$ 1,498,097</u>	<u>(27,033,418)</u>
General revenues					
Property taxes					11,561,080
Investment income					529,878
Unrestricted state aid					18,824,138
Unrestricted federal aid					395,871
Total general revenues					<u>31,310,967</u>
Changes in net position					4,277,549
Net position, beginning of year					<u>43,276,509</u>
Net position, end of year					\$ 47,554,058

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Fund Financial Statements

Tolleson Elementary School District No. 17

**Balance Sheet
Governmental Funds
June 30, 2024**

		Federal and State			
	General	Grants	Food Service	Debt Service	
Assets					
Cash and investments	\$ 7,956,568	\$	\$ 4,780,198	\$ 2,845,147	
Property taxes receivable	111,043			40,077	
Accounts receivable	92,844				
Due from governmental entities	17,967	2,545,044	103,640		
Due from other funds	10,097				
Inventory			28,040		
Total assets	<u>\$ 8,188,519</u>	<u>\$ 2,545,044</u>	<u>\$ 4,911,878</u>	<u>\$ 2,885,224</u>	
Liabilities					
Accounts payable	\$ 622,953	\$ 166,184	\$ 107,957	\$	
Due to other funds		10,097			
Accrued payroll and employee benefits	287,237	156,317	10,626		
Unearned revenues		1,229,101			
Bonds payable				2,300,000	
Bond interest payable				423,250	
Total liabilities	<u>910,190</u>	<u>1,561,699</u>	<u>118,583</u>	<u>2,723,250</u>	
Deferred inflows of resources					
Unavailable revenues - property taxes	92,404			33,129	
Unavailable revenues - intergovernmental		1,422,189			
Total deferred inflows of resources	<u>92,404</u>	<u>1,422,189</u>		<u>33,129</u>	
Fund balances					
Nonspendable			28,040		
Restricted	669,871		4,765,255	128,845	
Unassigned	6,516,054	(438,844)			
Total fund balances	<u>7,185,925</u>	<u>(438,844)</u>	<u>4,793,295</u>	<u>128,845</u>	
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 8,188,519</u>	<u>\$ 2,545,044</u>	<u>\$ 4,911,878</u>	<u>\$ 2,885,224</u>	

<u>Bond Building</u>	<u>Other Capital Projects</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 20,027,180	\$ 74,494	\$ 4,219,159	\$ 39,902,746
			151,120
			92,844
	1,016,721	87,214	3,770,586
			10,097
			28,040
<u>\$ 20,027,180</u>	<u>\$ 1,091,215</u>	<u>\$ 4,306,373</u>	<u>\$ 43,955,433</u>
\$ 763,666	\$ 1,170,545	\$	\$ 2,831,305
			10,097
		1,915	456,095
			1,229,101
			2,300,000
			423,250
<u>763,666</u>	<u>1,170,545</u>	<u>1,915</u>	<u>7,249,848</u>
			125,533
	327,476		1,749,665
	<u>327,476</u>		<u>1,875,198</u>
			28,040
19,263,514		4,304,458	29,131,943
	(406,806)		5,670,404
<u>19,263,514</u>	<u>(406,806)</u>	<u>4,304,458</u>	<u>34,830,387</u>
<u>\$ 20,027,180</u>	<u>\$ 1,091,215</u>	<u>\$ 4,306,373</u>	<u>\$ 43,955,433</u>

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Tolleson Elementary School District No. 17
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2024

Total fund balances - governmental funds **\$ 34,830,387**

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	\$ 97,154,938	
Less accumulated depreciation/amortization	<u>(28,210,991)</u>	
		68,943,947

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

Property taxes	125,533	
Intergovernmental	<u>1,749,665</u>	
		1,875,198

The net OPEB assets are not a current financial resource and, therefore, are not reported in the funds.

688,947

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	2,589,111	
Deferred inflows of resources related to pensions/OPEB	<u>(1,632,318)</u>	
		956,793

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.

827,919

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

Compensated absences payable	(691,238)	
Bonds payable	(38,602,531)	
Net pension liability	<u>(21,275,364)</u>	
		<u>(60,569,133)</u>

Net position of governmental activities **\$ 47,554,058**

Tolleson Elementary School District No. 17
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2024

	Federal and State			
	General	Grants	Food Service	Debt Service
Revenues				
Other local	\$ 360,246	\$ 14,709	\$ 320,783	\$ 928
Property taxes	8,096,255			3,052,515
State aid and grants	16,361,307	861,541		
Federal aid, grants and reimbursements	<u>395,871</u>	<u>6,847,293</u>	<u>3,153,017</u>	
Total revenues	<u>25,213,679</u>	<u>7,723,543</u>	<u>3,473,800</u>	<u>3,053,443</u>
Expenditures				
Current:				
Instruction	11,692,394	3,372,040		
Support services - students and staff	3,737,242	1,347,838		
Support services - administration	3,777,950	19,022	1,099	
Operation and maintenance of plant services	3,164,280	235,711	42,095	
Student transportation services	763,829	9,564		
Operation of non-instructional services	11,914	426,191	3,944,371	
Capital outlay	1,690,464	215,377		
Debt service:				
Principal retirement				2,300,000
Interest and fiscal charges				847,350
Bond issuance costs				
Total expenditures	<u>24,838,073</u>	<u>5,625,743</u>	<u>3,987,565</u>	<u>3,147,350</u>
Excess (deficiency) of revenues over expenditures	<u>375,606</u>	<u>2,097,800</u>	<u>(513,765)</u>	<u>(93,907)</u>
Other financing sources (uses)				
Transfers in	484,189			65,866
Transfers out		(92,475)	(391,714)	
Issuance of school improvement bonds				
Premium on sale of bonds				
Total other financing sources (uses)	<u>484,189</u>	<u>(92,475)</u>	<u>(391,714)</u>	<u>65,866</u>
Changes in fund balances	<u>859,795</u>	<u>2,005,325</u>	<u>(905,479)</u>	<u>(28,041)</u>
Fund balances, beginning of year, previously reported	6,326,130	(2,444,169)	5,698,774	156,886
Adjustments to beginning fund balances				
Fund balances, beginning of year, as restated	<u>6,326,130</u>	<u>(2,444,169)</u>	<u>5,698,774</u>	<u>156,886</u>
Fund balances, end of year	<u>\$ 7,185,925</u>	<u>\$ (438,844)</u>	<u>\$ 4,793,295</u>	<u>\$ 128,845</u>

Bond Building	Other Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
\$ 65,866	\$ 17,347	\$ 427,033	\$ 1,206,912
		350,000	11,498,770
	955,244	2,462,831	20,640,923
			<u>10,396,181</u>
<u>65,866</u>	<u>972,591</u>	<u>3,239,864</u>	<u>43,742,786</u>
		1,957,504	17,021,938
		215,787	5,300,867
		14,884	3,812,955
		2,525	3,444,611
		20,713	794,106
		600	4,383,076
688,086	1,466,272		4,060,199
			2,300,000
			847,350
<u>362,745</u>			<u>362,745</u>
<u>1,050,831</u>	<u>1,466,272</u>	<u>2,212,013</u>	<u>42,327,847</u>
<u>(984,965)</u>	<u>(493,681)</u>	<u>1,027,851</u>	<u>1,414,939</u>
			550,055
(65,866)			(550,055)
18,535,000			18,535,000
<u>1,779,345</u>			<u>1,779,345</u>
<u>20,248,479</u>			<u>20,314,345</u>
<u>19,263,514</u>	<u>(493,681)</u>	<u>1,027,851</u>	<u>21,729,284</u>
		3,363,482	13,101,103
	86,875	(86,875)	
	<u>86,875</u>	<u>3,276,607</u>	<u>13,101,103</u>
<u>\$ 19,263,514</u>	<u>\$ (406,806)</u>	<u>\$ 4,304,458</u>	<u>\$ 34,830,387</u>

Tolleson Elementary School District No. 17
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2024

Changes in fund balances - total governmental funds **\$ 21,729,284**

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

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

Expenditures for capitalized assets	\$ 3,224,818	
Less current year depreciation/amortization	<u>(2,322,183)</u>	
		902,635

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

Issuance of school improvement bonds	(20,314,345)
--------------------------------------	--------------

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

Property taxes	62,310	
Intergovernmental	<u>(1,472,082)</u>	
		(1,409,772)

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

Bond principal retirement	<u>2,300,000</u>	
		2,300,000

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

Current year pension/OPEB contributions	2,065,472	
Pension/OPEB expense	<u>(1,295,557)</u>	
		769,915

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

Amortization of deferred bond items	145,996	
Compensated absences	<u>(25,337)</u>	
		120,659

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>179,173</u>
Changes in net position in governmental activities		<u>\$ 4,277,549</u>

Tolleson Elementary School District No. 17
Statement of Net Position
Proprietary Fund
June 30, 2024

	Governmental Activities Internal Service Fund
Assets	
Current assets:	
Cash and investments	\$ 1,445,432
Total current assets	<u>1,445,432</u>
Total assets	<u><u>1,445,432</u></u>
Liabilities	
Current liabilities:	
Accounts payable	<u>617,513</u>
Total current liabilities	<u>617,513</u>
Total liabilities	<u><u>617,513</u></u>
Net position	
Unrestricted	<u>827,919</u>
Total net position	<u><u>\$ 827,919</u></u>

Tolleson Elementary School District No. 17
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Fund
For the Year Ended June 30, 2024

	Governmental Activities Internal Service Fund
Operating revenues	
Contributions	\$ 2,711,530
Total operating revenues	<u>2,711,530</u>
Operating expenses	
Premiums	<u>2,553,870</u>
Total operating expenses	<u>2,553,870</u>
Operating income (loss)	<u>157,660</u>
Nonoperating revenues (expenses)	
Investment income	<u>21,513</u>
Total nonoperating revenue (expenses)	<u>21,513</u>
Changes in net position	179,173
Net position, beginning of year	<u>648,746</u>
Total net position, end of year	<u><u>\$ 827,919</u></u>

Tolleson Elementary School District No. 17
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2024

	Governmental Activities Internal Service Fund
<u>Increase/Decrease in Cash and Cash Equivalents</u>	
Cash flows from operating activities	
Cash received from contributions	\$ 2,711,530
Cash payments to suppliers for goods and services	<u>(2,590,166)</u>
Net cash provided by/used for operating activities	<u>121,364</u>
Cash flows from investing activities	
Investment income	<u>21,513</u>
Net cash provided by/used for investing activities	<u>21,513</u>
Net increase/decrease in cash and cash equivalents	142,877
Cash and cash equivalents, beginning of year	<u>1,302,555</u>
Cash and cash equivalents, end of year	<u><u>\$ 1,445,432</u></u>
<u>Reconciliation of Operating Income/Loss to Net Cash Provided by/Used for Operating</u>	
Operating income/loss	\$ 157,660
Adjustments to reconcile operating income/loss to net cash provided by/used for operating activities:	
Changes in assets and liabilities:	
Increase/decrease in accounts payable	<u>(36,296)</u>
Total adjustments	<u>(36,296)</u>
Net cash provided by/used for operating activities	<u><u>\$ 121,364</u></u>

Tolleson Elementary School District No. 17
Notes to Financial Statements
June 30, 2024

Note 1 – Summary of Significant Accounting Policies

The financial statements of the Tolleson Elementary School District No. 17 (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, and food services.

Tolleson Elementary School District No. 17
Notes to Financial Statements
June 30, 2024

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 or fiduciary activities.

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

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

Government-Wide Financial Statements – The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. As a general rule, the 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.

Tolleson Elementary School District No. 17
Notes to Financial Statements
June 30, 2024

Note 1 – Summary of Significant Accounting Policies

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

Property taxes, federal and state aid, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. 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.

Tolleson Elementary School District No. 17
Notes to Financial Statements
June 30, 2024

Note 1 – Summary of Significant Accounting Policies

The District reports the following major governmental funds:

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

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

Food Service Fund – The Food Service Fund accounts 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.

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

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

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

Additionally, the District reports the following fund type:

Proprietary Fund – The Proprietary Fund is an internal service fund that accounts for activities related to the District’s insurance program.

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

Tolleson Elementary School District No. 17
Notes to Financial Statements
June 30, 2024

Note 1 – Summary of Significant Accounting Policies

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

D. Cash and Investments

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

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

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

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

Tolleson Elementary School District No. 17
Notes to Financial Statements
June 30, 2024

Note 1 – Summary of Significant Accounting Policies

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

E. Investment Income

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

F. Receivables and Payables

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

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

G. Property Tax Calendar

The County Treasurer is responsible for collecting property taxes for all governmental entities within the county. The county levies real 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.

Tolleson Elementary School District No. 17
Notes to Financial Statements
June 30, 2024

Note 1 – Summary of Significant Accounting Policies

H. Inventory

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

I. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

J. Capital Assets

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

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

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

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

Land improvements	5 – 60 years
Buildings and improvements	5 – 100 years
Vehicles, furniture and equipment	5 – 25 years
Intangible right-to-use assets	4 years

Tolleson Elementary School District No. 17
Notes to Financial Statements
June 30, 2024

Note 1 – Summary of Significant Accounting Policies

K. Deferred Outflows/Inflows of Resources

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

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

L. Compensated Absences

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

M. Pensions

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

N. 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.

Tolleson Elementary School District No. 17
Notes to Financial Statements
June 30, 2024

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.

O. Interfund Activity

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

P. Net Position Flow Assumption

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

Q. Estimates

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

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.

Tolleson Elementary School District No. 17
Notes to Financial Statements
June 30, 2024

Note 2 – Fund Balance Classifications

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

Restricted. Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation.

Committed. The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action of the Governing Board. Those committed amounts cannot be used for any other purpose unless the Governing Board removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The District does not have a formal policy or procedures for the utilization of committed fund balance, accordingly, no committed fund balance amounts are reported.

Assigned. Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Governing Board or the Executive Director of Business Services, who has been delegated that authority by formal Governing Board action. 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.

Tolleson Elementary School District No. 17
Notes to Financial Statements
June 30, 2024

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.

	General	Federal and State Projects	Food Service	Debt Service	Bond Building	Other Capital Projects	Non-Major Governmental Funds
Fund Balances:							
Nonspendable:							
Inventory	\$	\$	\$ 28,040	\$	\$	\$	\$
Restricted:							
Debt service				128,845			
Capital projects	669,871						798,977
Bond building projects					19,263,514		
Voter approved initiatives							2,208,285
Food service			4,765,255				
Civic center							67,846
Community schools							784,329
Extracurricular activities							91,230
Gifts and donations							300,828
Student activities							24,764
Other purposes							28,199
Unassigned	6,516,054	(438,844)				(406,806)	
Total fund balances	<u>\$ 7,185,925</u>	<u>\$ (438,844)</u>	<u>\$ 4,793,295</u>	<u>\$ 128,845</u>	<u>\$ 19,263,514</u>	<u>\$ (406,806)</u>	<u>\$ 4,304,458</u>

Note 3 – Stewardship, Compliance and Accountability

Individual Deficit Fund Balances – At year end, Federal and State Grants and Other Capital Projects Funds, both major governmental funds, reported a deficit of \$438,844 and \$406,806 in fund balance, respectively. The deficits arose because of pending grant reimbursements. Additional revenues received in fiscal year 2024-25 are expected to eliminate the deficit.

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

Note 4 – Cash and Investments

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure the District's deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District's deposits was \$30,188 and the bank balance was \$152,939.

Tolleson Elementary School District No. 17
Notes to Financial Statements
June 30, 2024

Note 4 – Cash and Investments

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

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

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

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

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer's investment pool	365 days	\$ 41,317,990

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.

Tolleson Elementary School District No. 17
Notes to Financial Statements
June 30, 2024

Note 5 – Receivables

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

	General	Federal and State Projects	Food Service	Other Capital Projects	Non-Major Governmental Funds
Due from other governmental entities:					
Due from federal government	\$ 17,967	\$ 2,157,917	\$ 103,640	\$	\$
Due from state government		387,127		1,016,721	87,214
Net due from governmental entities	<u>\$ 17,967</u>	<u>\$ 2,545,044</u>	<u>\$ 103,640</u>	<u>\$ 1,016,721</u>	<u>\$ 87,214</u>

Note 6 – Capital Assets

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

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 7,870,817	\$	\$	\$ 7,870,817
Construction in progress	62,348	2,190,768	62,348	2,190,768
Total capital assets, not being depreciated	<u>7,933,165</u>	<u>2,190,768</u>	<u>62,348</u>	<u>10,061,585</u>
Capital assets, being depreciated:				
Land improvements	9,855,388	84,516		9,939,904
Buildings and improvements	71,931,059	331,387		72,262,446
Vehicles, furniture and equipment	4,266,729	680,495	56,221	4,891,003
Total capital assets being depreciated	<u>86,053,176</u>	<u>1,096,398</u>	<u>56,221</u>	<u>87,093,353</u>
Less accumulated depreciation for:				
Land improvements	(2,833,676)	(436,609)		(3,270,285)
Buildings and improvements	(20,356,749)	(1,501,721)		(21,858,470)
Vehicles, furniture and equipment	(2,754,604)	(383,853)	(56,221)	(3,082,236)
Total accumulated depreciation	<u>(25,945,029)</u>	<u>(2,322,183)</u>	<u>(56,221)</u>	<u>(28,210,991)</u>
Total capital assets, being depreciated, net	<u>60,108,147</u>	<u>(1,225,785)</u>		<u>58,882,362</u>
Intangible right-to-use assets:				
Leased vehicles, furniture and equipment	2,871,784		2,871,784	
Less accumulated amortization	<u>(2,871,784)</u>		<u>(2,871,784)</u>	
Total intangible right-to-use assets, net				
Governmental activities capital assets, net	<u>\$ 68,041,312</u>	<u>\$ 964,983</u>	<u>\$ 62,348</u>	<u>\$ 68,943,947</u>

Tolleson Elementary School District No. 17
Notes to Financial Statements
June 30, 2024

Note 6 – Capital Assets

Depreciation and amortization expense were charged to governmental functions as follows:

Instruction	\$	982,834
Support services – students and staff		130,154
Support services – administration		421,645
Operation and maintenance of plant services		608,295
Student transportation services		89,631
Operation of non-instructional services		89,624
Total depreciation expense – governmental activities	\$	<u>2,322,183</u>

Construction Commitments – At year end, the District had contractual commitments related to renovations in Sheely Farms and Arizona Desert K-8 schools, and a cafeteria rebuild at Porforio Elementary School. At year end, the District had spent \$2.2 million on the projects and had estimated remaining contractual commitments of \$1.0 million. These projects are being funded by bond proceeds and monies from the School Facilities Board.

Note 7 – Short Term Debt – Revolving Line of Credit

The District has a \$2.0 million 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 \$2.0 million in unused line of credit.

Note 8 – General Obligation Bonds Payable

Bonds payable at year end, consisted of the following outstanding general obligation bonds. Of the total amount originally authorized, \$10,000,000 remains unissued. The total amount originally authorized has been issued. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt. The District's legal debt limit is \$74.1 million and the available margin is \$33.8 million.

Purpose	Original Amount Issued	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2024	Due Within One Year
Governmental activities:					
School Improvement Bonds, Project of 2017, Series A (2018)	\$ 14,200,000	3.00-5.00%	7/1/28-37	\$ 11,275,000	\$
School Improvement Bonds, Project of 2017, Series B (2019)	7,970,000	4.00-5.00%	7/1/24-28	6,555,000	2,125,000
Refunding Bonds, Series 2019 School Improvement Bonds, Project of 2023, Series A (2024)	2,990,000	3.00-5.00%	7/1/24-28	950,000	175,000
	18,535,000	5.00%	7/1/25-43	18,535,000	
Total				<u>\$ 37,315,000</u>	<u>\$ 2,300,000</u>

Tolleson Elementary School District No. 17
Notes to Financial Statements
June 30, 2024

Note 8 – General Obligation Bonds Payable

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

Year ending June 30:	Governmental Activities	
	Principal	Interest
2025	\$ 2,300,000	\$ 1,406,009
2026	1,370,000	1,627,500
2027	1,855,000	1,547,875
2028	2,110,000	1,449,750
2029	1,525,000	1,366,875
2030-34	10,295,000	5,462,500
2035-39	11,565,000	2,809,375
2040-44	6,295,000	776,750
Total	<u>\$ 37,315,000</u>	<u>\$ 16,446,634</u>

Note 9 – 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	\$ 20,855,000	\$ 18,535,000	\$ 2,075,000	\$ 37,315,000	\$ 2,300,000
Premium	1,954,182	1,779,345	145,996	3,587,531	
Total bonds payable	<u>22,809,182</u>	<u>20,314,345</u>	<u>2,220,996</u>	<u>40,902,531</u>	<u>2,300,000</u>
Net pension liability	21,773,843		498,479	21,275,364	
Compensated absences payable	665,901	336,792	311,455	691,238	100,000
Total long-term liabilities	<u>\$ 45,248,926</u>	<u>\$ 20,651,137</u>	<u>\$ 3,030,930</u>	<u>\$ 62,869,133</u>	<u>\$ 2,400,000</u>

Tolleson Elementary School District No. 17
Notes to Financial Statements
June 30, 2024

Note 10 – Interfund Receivables, Payables, and Transfers

At year end, interfund balances were as follows:

Due to/from other funds: At year end, the Federal and State Projects Fund, a major governmental fund, had a negative cash balance in the Treasurer's pooled cash accounts in the amount of \$10,097. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with the General Fund. All interfund balances are expected to be paid within one year.

Interfund transfers:

Transfers out	Transfers in		
	General	Debt Service	Total
Food Service	\$ 391,714		\$ 391,714
Federal and State Grants	92,475		92,475
Bond Building		65,866	65,866
Total	<u>\$ 484,189</u>	<u>\$ 65,866</u>	<u>\$ 550,055</u>

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

Note 11 – Restatements of Beginning Balances

Change within the Financial Reporting Entity – In the current fiscal year, there has been a change in major funds. The Other Capital Projects Fund has liabilities that exceed 10 percent of total liabilities. The change is reflected on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances as a restatement to beginning of year fund balances.

	June 30, 2023, As Previously Reported	Change within the Financial Reporting Entity	June 30, 2023, As Restated
Governmental Funds			
Major Funds:			
General Fund	\$ 6,326,130	\$	\$ 6,326,130
Federal and State Grants	(2,444,169)		(2,444,169)
Food Service	5,698,774		5,698,774
Debt Service	156,886		156,886
Other Capital		86,875	86,875
Nonmajor Funds	<u>3,363,482</u>	<u>(86,875)</u>	<u>3,276,607</u>
Total Governmental Funds	<u>\$ 13,101,103</u>	<u>\$</u>	<u>\$ 13,101,103</u>

Tolleson Elementary School District No. 17
Notes to Financial Statements
June 30, 2024

Note 12 – Contingent Liabilities

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

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

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

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

The District's employees have health and accident insurance coverage with the Valley Schools Employee Benefit Trust (VSEBT). VSEBT is a public entity risk pool currently operating as a common risk management and insurance program for school districts in the State. The District pays a monthly premium to VSEBT for employees' health and accident insurance coverage. The agreement provides that VSEBT will be self-sustaining through members' premiums and will reinsure through commercial companies for claims in excess of specified amounts for each insured event.

Tolleson Elementary School District No. 17
Notes to Financial Statements
June 30, 2024

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, 2024, the District reported the following aggregate amounts related to pensions and OPEB for all plans to which it contributes:

	Pension	OPEB	Total
Net assets	\$	\$ 688,947	\$ 688,947
Net liability	21,275,364		21,275,364
Deferred outflows of resources	2,527,496	61,615	2,589,111
Deferred inflows of resources	1,331,379	300,939	1,632,318
Expense	1,726,466	(430,909)	1,295,557
Contributions	2,046,758	18,714	2,065,472

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

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

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

*With actuarially reduced benefits

Tolleson Elementary School District No. 17
Notes to Financial Statements
June 30, 2024

Note 14 – Pensions and Other Postemployment Benefits

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

Contributions. In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.29 percent (12.14 percent for retirement and 0.15 percent for long-term disability) of the members' annual covered payroll, and the District was required by statute to contribute at the actuarially determined rate of 12.29 percent (12.03 percent for retirement, 0.11 percent for health insurance premium benefit, and 0.15 percent for long-term disability) of the active members' annual covered payroll. The District's contributions to the pension plan for the year ended June 30, 2024 were \$2,046,758.

Employers are also required to pay an Alternate Contribution Rate (ACR), for retired members who return to work in positions that would typically be filled by an employee who contributes to ASRS. The District was required by statute to contribute at the actuarially determined rate of 9.99 percent (9.94 for retirement and 0.05 percent for long-term disability). ACR contributions are included in employer contributions presented above.

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

Pension Liability. The net pension liability was measured as of June 30, 2023. The total liability used to calculate the net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2022, to the measurement date of June 30, 2023. The District's proportion of the net liability was based on the District's actual contributions to the applicable plan relative to the total of all participating employers' contributions to the plan for the year ended June 30, 2023.

Tolleson Elementary School District No. 17
Notes to Financial Statements
June 30, 2024

Note 14 – Pensions and Other Postemployment Benefits

At June 30, 2024, the District reported the following amounts for its proportionate share of the pension plan net liability. In addition, at June 30, 2023, the District's percentage proportion for the plan and the related change from its proportion measured as of June 30, 2022 was:

Net Liability	District % Proportion	Increase (Decrease)
\$ 21,275,364	0.131	(0.002)

Pension Expense and Deferred Outflows/Inflows of Resources. The District has deferred outflows and inflows of resources related to the net pension liability. Certain changes in the net pension liability are recognized as pension expense over a period of time rather than the year of occurrence. The District's pension expense for the year ended June 30, 2024 was \$ 1,726,466.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 480,738	\$
Net difference between projected and actual earnings on pension investments		752,741
Changes in proportion and differences between contributions and proportionate share of contributions		578,638
Contributions subsequent to the measurement date	2,046,758	
Total	<u>\$ 2,527,496</u>	<u>\$ 1,331,379</u>

The amounts of deferred outflows of resources resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as an adjustment of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:	
2025	\$ (600,109)
2026	(968,224)
2027	811,232
2028	(93,540)

Tolleson Elementary School District No. 17
Notes to Financial Statements
June 30, 2024

Note 14 – Pensions and Other Postemployment Benefits

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

Actuarial valuation date	June 30, 2022
Actuarial roll forward date	June 30, 2023
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Inflation	2.3%
Projected salary increases	2.9-8.4%
Permanent base increases	Included
Mortality rates	2017 SRA Scale U-MP

The actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2020. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2020, actuarial valuation.

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

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

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Public equity	44%	3.50%
Credit	23%	5.90
Interest rate sensitive	6%	1.50
Private equity	10%	6.70
Real estate	17%	5.90
Total	<u>100%</u>	

Tolleson Elementary School District No. 17
Notes to Financial Statements
June 30, 2024

Note 14 – Pensions and Other Postemployment Benefits

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

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

	Current		
	1% Decrease	Discount Rate	1% Increase
Rate	6.0%	7.0%	8.0%
Net liability	\$ 31,867,370	\$ 21,275,364	\$ 12,443,504

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

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Required Supplementary Information

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Tolleson Elementary School District No. 17
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General
For the Year Ended June 30, 2024

	<u>Budget</u>		<u>Non-GAAP</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues				
Other local	\$	\$	\$ 182,698	\$ 182,698
Property taxes			7,017,544	7,017,544
State aid and grants			15,239,507	15,239,507
Total revenues			<u>22,439,749</u>	<u>22,439,749</u>
Expenditures				
Current:				
Instruction	13,750,875	12,803,909	11,630,756	1,173,153
Support services - students and staff	3,090,281	3,626,878	3,303,510	323,368
Support services - administration	3,206,583	3,393,926	3,128,228	265,698
Operation and maintenance of plant services	3,165,901	3,341,870	3,218,795	123,075
Student transportation services	583,876	1,026,476	723,895	302,581
Operation of non-instructional services	85,000			
Total expenditures	<u>23,882,516</u>	<u>24,193,059</u>	<u>22,005,184</u>	<u>2,187,875</u>
Excess (deficiency) of revenues over expenditures	<u>(23,882,516)</u>	<u>(24,193,059)</u>	<u>434,565</u>	<u>24,627,624</u>
Changes in fund balances	<u>(23,882,516)</u>	<u>(24,193,059)</u>	<u>434,565</u>	<u>24,627,624</u>
Fund balances, beginning of year			<u>3,041,723</u>	<u>3,041,723</u>
Fund balances, end of year	<u>\$ (23,882,516)</u>	<u>\$ (24,193,059)</u>	<u>\$ 3,476,288</u>	<u>\$ 27,669,347</u>

Tolleson Elementary School District No. 17
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Federal and State Grants
For the Year Ended June 30, 2024

	<u>Budget</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues				
Other local	\$	\$	\$ 14,709	\$ 14,709
State aid and grants			861,541	861,541
Federal aid, grants and reimbursements			6,847,293	6,847,293
Total revenues			<u>7,723,543</u>	<u>7,723,543</u>
Expenditures				
Current:				
Instruction	3,269,937	3,256,602	3,372,040	(115,438)
Support services - students and staff	1,307,027	1,301,696	1,347,838	(46,142)
Support services - administration	18,446	18,371	19,022	(651)
Operation and maintenance of plant services	228,574	227,642	235,711	(8,069)
Student transportation services	9,274	9,237	9,564	(327)
Operation of non-instructional services	413,286	411,601	426,191	(14,590)
Capital outlay	208,856	208,004	215,377	(7,373)
Total expenditures	<u>5,455,400</u>	<u>5,433,152</u>	<u>5,625,743</u>	<u>(192,591)</u>
Excess (deficiency) of revenues over expenditures	<u>(5,455,400)</u>	<u>(5,433,152)</u>	<u>2,097,800</u>	<u>7,530,952</u>
Other financing sources (uses)				
Transfers out			(92,475)	(92,475)
Total other financing sources (uses)			<u>(92,475)</u>	<u>(92,475)</u>
Changes in fund balances	<u>(5,455,400)</u>	<u>(5,433,152)</u>	<u>2,005,325</u>	<u>7,438,477</u>
Fund balances, beginning of year			<u>(2,444,169)</u>	<u>(2,444,169)</u>
Fund balances, end of year	<u>\$ (5,455,400)</u>	<u>\$ (5,433,152)</u>	<u>\$ (438,844)</u>	<u>\$ 4,994,308</u>

Tolleson Elementary School District No. 17
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Food Service
For the Year Ended June 30, 2024

	<u>Budget</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues				
Other local	\$	\$	\$ 320,783	\$ 320,783
Federal aid, grants and reimbursements			3,153,017	3,153,017
Total revenues			<u>3,473,800</u>	<u>3,473,800</u>
Expenditures				
Current:				
Instruction				
Support services - students and staff				
Support services - administration	1,742	1,556	1,099	457
Operation and maintenance of plant services	66,718	59,595	42,095	17,500
Operation of non-instructional services	<u>6,251,541</u>	<u>5,584,191</u>	<u>3,944,371</u>	<u>1,639,820</u>
Total expenditures	<u>6,320,000</u>	<u>5,645,342</u>	<u>3,987,565</u>	<u>1,657,777</u>
Excess (deficiency) of revenues over expenditures	<u>(6,320,000)</u>	<u>(5,645,342)</u>	<u>(513,765)</u>	<u>5,131,577</u>
Other financing sources (uses)				
Transfers out			(391,714)	(391,714)
Total other financing sources (uses)			<u>(391,714)</u>	<u>(391,714)</u>
Changes in fund balances	<u>(6,320,000)</u>	<u>(5,645,342)</u>	<u>(905,479)</u>	<u>4,739,863</u>
Fund balances, beginning of year			<u>5,698,774</u>	<u>5,698,774</u>
Fund balances, end of year	<u>\$ (6,320,000)</u>	<u>\$ (5,645,342)</u>	<u>\$ 4,793,295</u>	<u>\$ 10,438,637</u>

Tolleson Elementary School District No. 17
Schedule of the Proportionate Share of the Net Pension Liability
Arizona State Retirement System
Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Measurement date	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
District's proportion of the net pension (assets) liability	0.13%	0.13%	0.14%	0.15%
District's proportionate share of the net pension (assets) liability	\$ 21,275,364	\$ 21,773,843	\$ 18,579,332	\$ 26,506,110
District's covered payroll	\$ 17,179,379	\$ 15,939,242	\$ 15,869,777	\$ 16,694,707
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	123.84%	136.61%	117.07%	158.77%
Plan fiduciary net position as a percentage of the total pension liability	75.47%	74.26%	78.58%	69.33%

Schedule of Pension Contributions
Arizona State Retirement System
Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Actuarially determined contribution	\$ 2,046,758	\$ 2,047,782	\$ 1,914,303	\$ 1,848,829
Contributions in relation to the actuarially determined contribution	<u>2,046,758</u>	<u>2,047,782</u>	<u>1,914,303</u>	<u>1,848,829</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 17,013,782	\$ 17,179,379	\$ 15,939,242	\$ 15,869,777
Contributions as a percentage of covered payroll	12.03%	11.92%	12.01%	11.65%

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
0.15%	0.15%	0.15%	0.13%	0.13%	0.12%
\$ 22,266,190	\$ 21,193,072	\$ 22,938,680	\$ 21,788,742	\$ 20,509,487	\$ 18,454,704
\$ 16,120,832	\$ 15,113,046	\$ 14,340,807	\$ 12,488,728	\$ 11,798,310	\$ 10,953,271
138.12%	140.23%	159.95%	174.47%	173.83%	168.49%
73.24%	73.40%	69.92%	67.06%	68.35%	69.49%

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 1,911,544	\$ 1,802,309	\$ 1,647,322	\$ 1,545,939	\$ 1,355,027	\$ 1,284,832
<u>1,911,544</u>	<u>1,802,309</u>	<u>1,647,322</u>	<u>1,545,939</u>	<u>1,355,027</u>	<u>1,284,832</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
\$ 16,694,707	\$ 16,120,832	\$ 15,113,046	\$ 14,340,807	\$ 12,488,728	\$ 11,798,310
11.45%	11.18%	10.90%	10.78%	10.85%	10.89%

Tolleson Elementary School District No. 17
Notes to Required Supplementary Information
June 30, 2024

Note 1 – Budgetary Basis of Accounting

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

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

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

	Total	Fund
	Expenditures	Balances
	End of Year	
Statement of Revenues, Expenditures and Changes in		
Fund Balances - Governmental Funds	\$ 24,838,073	\$ 7,185,925
Activity budgeted as other fund types	(2,892,393)	(3,392,378)
Current-year prepaid items	317,259	(317,259)
Prior-year prepaid items	(257,755)	
Schedule of Revenue, Expenditures and Changes in		
Fund Balances – Budget and Actual - General Fund	<u>\$ 22,005,184</u>	<u>\$ 3,476,288</u>

Note 2 – Pension Plan Schedules

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

Factors that Affect Trends. The actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2020. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2020, actuarial valuation.

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

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Governmental Funds

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Non-Major Governmental Funds

Special Revenue Funds

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

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

Other Special Revenue Funds – to account for the revenues and expenditures of other special revenue activities, including the following: civic center, community school, extracurricular activities fees tax credit, insurance proceeds, fingerprinting, textbooks, litigation recovery, grants and gifts to teachers, and student activities.

Capital Projects Funds

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

Tolleson Elementary School District No. 17
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2024

	Special Revenue Funds			Capital Projects Funds
	Classroom Site	Instructional Improvement	Other Special Revenue	Adjacent Ways
Assets				
Cash and investments	\$ 1,683,215	\$ 439,771	\$ 1,297,196	\$ 798,977
Due from governmental entities		87,214		
Total assets	<u>\$ 1,683,215</u>	<u>\$ 526,985</u>	<u>\$ 1,297,196</u>	<u>\$ 798,977</u>
Liabilities				
Accrued payroll and employee benefits	\$ 1,915	\$	\$	\$
Total liabilities	<u>1,915</u>			
Fund balances				
Restricted	<u>1,681,300</u>	<u>526,985</u>	<u>1,297,196</u>	<u>798,977</u>
Total fund balances	<u>1,681,300</u>	<u>526,985</u>	<u>1,297,196</u>	<u>798,977</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,683,215</u>	<u>\$ 526,985</u>	<u>\$ 1,297,196</u>	<u>\$ 798,977</u>

**Total Non-Major
Governmental
Funds**

\$	4,219,159
	<u>87,214</u>
\$	<u><u>4,306,373</u></u>

\$	<u>1,915</u>
	<u>1,915</u>

	<u>4,304,458</u>
	<u>4,304,458</u>

\$	<u><u>4,306,373</u></u>
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Tolleson Elementary School District No. 17
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue Funds			Capital Projects Funds
	Classroom Site	Instructional Improvement	Other Special Revenue	Adjacent Ways
Revenues				
Other local	\$ 38,559	\$ 8,928	\$ 372,223	\$ 7,323
Property taxes				350,000
State aid and grants	2,274,473	188,358		
Total revenues	<u>2,313,032</u>	<u>197,286</u>	<u>372,223</u>	<u>357,323</u>
Expenditures				
Current:				
Instruction	1,865,901		91,603	
Support services - students and staff	72,808	53,972	89,007	
Support services - administration			14,884	
Operation and maintenance of plant services			2,525	
Student transportation services			20,713	
Operation of non-instructional services			600	
Total expenditures	<u>1,938,709</u>	<u>53,972</u>	<u>219,332</u>	
Changes in fund balances	<u>374,323</u>	<u>143,314</u>	<u>152,891</u>	<u>357,323</u>
Fund balances, beginning of year, previously reported	1,306,977	383,671	1,144,305	441,654
Adjustments to beginning fund balances				
Fund balances, beginning of year, as restated	<u>1,306,977</u>	<u>383,671</u>	<u>1,144,305</u>	<u>441,654</u>
Fund balances, end of year	<u>\$ 1,681,300</u>	<u>\$ 526,985</u>	<u>\$ 1,297,196</u>	<u>\$ 798,977</u>

Capital Projects	
Funds	
Other Capital Projects	Total Non-Major Governmental Funds
\$	\$ 427,033
	350,000
	2,462,831
	3,239,864
	1,957,504
	215,787
	14,884
	2,525
	20,713
	600
	2,212,013
	1,027,851
86,875	3,363,482
(86,875)	(86,875)
	3,276,607
\$	\$ 4,304,458

Tolleson Elementary School District No. 17
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Classroom Site
For the Year Ended June 30, 2024

	<u>Budget</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues				
Other local	\$	\$	\$ 38,559	\$ 38,559
State aid and grants			2,274,473	2,274,473
Total revenues			2,313,032	2,313,032
Expenditures				
Current:				
Instruction	2,132,134	2,096,973	1,865,901	231,072
Support services - students and staff	1,466,849	1,466,849	72,808	1,394,041
Total expenditures	3,598,983	3,563,822	1,938,709	1,625,113
Changes in fund balances	(3,598,983)	(3,563,822)	374,323	3,938,145
Fund balances, beginning of year			1,306,977	1,306,977
Fund balances, end of year	<u>\$ (3,598,983)</u>	<u>\$ (3,563,822)</u>	<u>\$ 1,681,300</u>	<u>\$ 5,245,122</u>

Tolleson Elementary School District No. 17
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Instructional Improvement
For the Year Ended June 30, 2024

	<u>Budget</u>		<u>Variance with</u>
	<u>Original and Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues			
Other local	\$	\$ 8,928	\$ 8,928
State aid and grants		188,358	188,358
Total revenues		197,286	197,286
Expenditures			
Current:			
Support services - students and staff	133,750	53,972	79,778
Total expenditures	133,750	53,972	79,778
Changes in fund balances	(133,750)	143,314	277,064
Fund balances, beginning of year		383,671	383,671
Fund balances, end of year	\$ (133,750)	\$ 526,985	\$ 660,735

Tolleson Elementary School District No. 17
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Other Special Revenue
For the Year Ended June 30, 2024

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Other local	\$	\$	\$ 372,223	\$ 372,223
Total revenues			<u>372,223</u>	<u>372,223</u>
Expenditures				
Current:				
Instruction	272,436	205,474	91,603	113,871
Support services - students and staff	264,715	199,651	89,007	110,644
Support services - administration	44,266	33,386	14,884	18,502
Operation and maintenance of plant services	7,510	5,664	2,525	3,139
Student transportation services	61,602	46,461	20,713	25,748
Operation of non-instructional services	1,784	1,346	600	746
Total expenditures	<u>652,313</u>	<u>491,981</u>	<u>219,332</u>	<u>272,649</u>
Changes in fund balances	<u>(652,313)</u>	<u>(491,981)</u>	<u>152,891</u>	<u>644,872</u>
Fund balances, beginning of year			<u>1,144,305</u>	<u>1,144,305</u>
Fund balances, end of year	<u>\$ (652,313)</u>	<u>\$ (491,981)</u>	<u>\$ 1,297,196</u>	<u>\$ 1,789,177</u>

Tolleson Elementary School District No. 17
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Debt Service
For the Year Ended June 30, 2024

	<u>Budget</u>		<u>Variance with</u>
	<u>Original and Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues			
Other local	\$	\$ 928	\$ 928
Property taxes		3,052,515	3,052,515
Total revenues		3,053,443	3,053,443
Expenditures			
Debt service:			
Principal retirement	2,300,000	2,300,000	
Interest and fiscal charges	695,259	847,350	(152,091)
Total expenditures	2,995,259	3,147,350	(152,091)
Excess (deficiency) of revenues over expenditures	(2,995,259)	(93,907)	2,901,352
Other financing sources (uses)			
Transfers in		65,866	65,866
Total other financing sources (uses)		65,866	65,866
Changes in fund balances	(2,995,259)	(28,041)	2,967,218
Fund balances, beginning of year		156,886	156,886
Fund balances, end of year	\$ (2,995,259)	\$ 128,845	\$ 3,124,104

Tolleson Elementary School District No. 17
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Adjacent Ways
For the Year Ended June 30, 2024

	<u>Budget</u>		
	<u>Original and Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Other local	\$	\$ 7,323	\$ 7,323
Property taxes		350,000	350,000
Total revenues		357,323	357,323
Expenditures			
Capital outlay	381,000		381,000
Total expenditures	381,000		381,000
Changes in fund balances	(381,000)	357,323	738,323
Fund balances, beginning of year		441,654	441,654
Fund balances, end of year	\$ (381,000)	\$ 798,977	\$ 1,179,977

Tolleson Elementary School District No. 17
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Bond Building
For the Year Ended June 30, 2024

	<u>Budget</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues				
Other local	\$	\$	65,866	65,866
Total revenues			65,866	65,866
Expenditures				
Capital outlay		19,637,255	688,086	18,949,169
Debt service:				
Bond issuance costs		362,745	362,745	
Total expenditures		20,000,000	1,050,831	18,949,169
Excess (deficiency) of revenues over expenditures		(20,000,000)	(984,965)	19,015,035
Other financing sources (uses)				
Transfers out			(65,866)	(65,866)
Issuance of school improvement bonds			18,535,000	18,535,000
Premium on sale of bonds			1,779,345	1,779,345
Total other financing sources (uses)			20,248,479	20,248,479
Changes in fund balances		(20,000,000)	19,263,514	39,263,514
Fund balances, beginning of year				
Fund balances, end of year	\$	\$ (20,000,000)	\$ 19,263,514	\$ 39,263,514

Tolleson Elementary School District No. 17
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Other Capital Projects
For the Year Ended June 30, 2024

	<u>Budget</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues				
Other local	\$	\$	\$ 17,347	\$ 17,347
State aid and grants			955,244	955,244
Total revenues			<u>972,591</u>	<u>972,591</u>
Expenditures				
Capital outlay	<u>2,016,000</u>	<u>2,048,037</u>	<u>1,466,272</u>	<u>581,765</u>
Total expenditures	<u>2,016,000</u>	<u>2,048,037</u>	<u>1,466,272</u>	<u>581,765</u>
Changes in fund balances	<u>(2,016,000)</u>	<u>(2,048,037)</u>	<u>(493,681)</u>	<u>1,554,356</u>
Fund balances, beginning of year			<u>86,875</u>	<u>86,875</u>
Fund balances, end of year	<u>\$ (2,016,000)</u>	<u>\$ (2,048,037)</u>	<u>\$ (406,806)</u>	<u>\$ 1,641,231</u>

Statistical Section

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

Note: For locally assessed property (i.e., excluding mines, utilities, etc.) Proposition 117, approved by voters in 2012, amended the Arizona Constitution to require that all property taxes after fiscal year 2014-15 be based upon property values limited to 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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Tolleson Elementary School District No. 17
Net Position by Component
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Net Position:					
Net investment in capital assets	\$ 47,304,930	\$ 45,232,130	\$ 41,701,253	\$ 42,330,785	\$ 43,995,004
Restricted	11,601,890	10,249,545	11,825,083	7,248,459	4,006,211
Unrestricted	(11,352,762)	(12,205,166)	(13,883,583)	(18,291,966)	(19,028,866)
Total net position	<u>\$ 47,554,058</u>	<u>\$ 43,276,509</u>	<u>\$ 39,642,753</u>	<u>\$ 31,287,278</u>	<u>\$ 28,972,349</u>
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net Position:					
Net investment in capital assets	\$ 45,319,910	\$ 45,626,079	\$ 46,335,031	\$ 45,544,136	\$ 45,246,641
Restricted	4,300,880	5,117,242	5,355,155	5,781,261	5,232,083
Unrestricted	(15,299,907)	(15,520,045)	(14,402,143)	(13,212,196)	(15,748,921)
Total net position	<u>\$ 34,320,883</u>	<u>\$ 35,223,276</u>	<u>\$ 37,288,043</u>	<u>\$ 38,113,201</u>	<u>\$ 34,729,803</u>

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

Tolleson Elementary School District No. 17
Expenses, Program Revenues, and Net (Expense)/Revenue
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Expenses					
Instruction	\$ 18,218,540	\$ 19,097,475	\$ 17,147,694	\$ 17,277,242	\$ 19,988,221
Support services - students and staff	5,309,417	4,931,892	4,484,920	4,492,414	4,520,994
Support services - administration	4,251,908	4,249,590	3,824,590	4,167,697	4,515,054
Operation and maintenance of plant services	4,080,979	3,497,128	3,404,845	3,444,627	3,469,885
Student transportation services	1,012,078	895,847	900,743	1,052,657	1,592,043
Operation of non-instructional services	4,502,702	3,527,435	3,887,978	3,871,164	3,708,914
Interest on long-term debt	701,354	793,807	881,080	954,019	811,646
Total expenses	<u>38,076,978</u>	<u>36,993,174</u>	<u>34,531,850</u>	<u>35,259,820</u>	<u>38,606,757</u>
Program Revenues					
Charges for services:					
Instruction	463,919	278,250	637,714	651,808	824,932
Operation of non-instructional services	177,773	191,837	84,399	20,845	295,725
Other activities	10,260	8,285	6,142		10,118
Operating grants and contributions	8,893,511	9,830,971	13,694,175	12,531,962	6,331,748
Capital grants and contributions	1,498,097	1,532,251	469,770	532,779	517,052
Total program revenues	<u>11,043,560</u>	<u>11,841,594</u>	<u>14,892,200</u>	<u>13,737,394</u>	<u>7,979,575</u>
Net (Expense)/Revenue	<u>\$ (27,033,418)</u>	<u>\$ (25,151,580)</u>	<u>\$ (19,639,650)</u>	<u>\$ (21,522,426)</u>	<u>\$ (30,627,182)</u>

(Continued)

Tolleson Elementary School District No. 17
Expenses, Program Revenues, and Net (Expense)/Revenue
Last Ten Fiscal Years
(Accrual basis of accounting)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Expenses					
Instruction	\$ 16,076,094	\$ 15,662,883	\$ 14,885,268	\$ 13,044,242	\$ 12,211,924
Support services - students and staff	4,141,055	4,077,628	3,838,508	3,273,374	3,284,905
Support services - administration	3,464,877	3,339,705	3,218,969	2,947,487	2,753,821
Operation and maintenance of plant services	3,150,252	2,748,738	2,658,861	2,427,054	2,550,585
Student transportation services	1,066,117	892,761	744,442	681,123	581,706
Operation of non-instructional services	2,998,982	2,690,973	2,328,242	2,064,539	2,102,998
Interest on long-term debt	741,050	419,423	294,381	333,032	373,458
Total expenses	<u>31,638,427</u>	<u>29,832,111</u>	<u>27,968,671</u>	<u>24,770,851</u>	<u>23,859,397</u>
Program Revenues					
Charges for services:					
Instruction	513,513	133,812	228,917	170,201	135,328
Operation of non-instructional services	231,959	237,956	213,190	230,523	261,600
Other activities	42,609			91,578	28,619
Operating grants and contributions	5,949,793	6,016,641	5,513,994	5,293,621	5,243,843
Capital grants and contributions	271,750	165,813	477,885	947,506	274,952
Total program revenues	<u>7,009,624</u>	<u>6,554,222</u>	<u>6,433,986</u>	<u>6,733,429</u>	<u>5,944,342</u>
Net (Expense)/Revenue	<u>\$ (24,628,803)</u>	<u>\$ (23,277,889)</u>	<u>\$ (21,534,685)</u>	<u>\$ (18,037,422)</u>	<u>\$ (17,915,055)</u>

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

(Concluded)

Tolleson Elementary School District No. 17
General Revenues and Total Changes in Net Position
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Net (Expense)/Revenue	\$ (27,033,418)	\$ (25,151,580)	\$ (19,639,650)	\$ (21,522,426)	\$ (30,627,182)
General Revenues:					
Property taxes	11,561,080	11,099,586	10,793,810	9,874,188	9,882,999
Investment income	529,878	318,178	152,902	166,404	237,783
Unrestricted county aid			1,181,771	1,168,151	1,169,623
Unrestricted state aid	18,824,138	17,068,895	14,209,489	12,516,053	13,792,206
Unrestricted federal aid	395,871	298,677	220,827	112,559	170,215
Total general revenues	<u>31,310,967</u>	<u>28,785,336</u>	<u>26,558,799</u>	<u>23,837,355</u>	<u>25,252,826</u>
Changes in Net Position	<u>\$ 4,277,549</u>	<u>\$ 3,633,756</u>	<u>\$ 6,919,149</u>	<u>\$ 2,314,929</u>	<u>\$ (5,374,356)</u>

(Continued)

Tolleson Elementary School District No. 17
General Revenues and Total Changes in Net Position
Last Ten Fiscal Years
(Accrual basis of accounting)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net (Expense)/Revenue	\$ (24,628,803)	\$ (23,277,889)	\$ (21,534,685)	\$ (18,037,422)	\$ (17,915,055)
General Revenues:					
Property taxes	8,822,200	7,554,516	7,597,355	7,102,925	6,659,941
Investment income	423,624	145,584	48,427	33,787	29,948
Unrestricted county aid	1,209,549	1,209,430	1,160,952	1,065,587	980,201
Unrestricted state aid	13,115,154	12,138,212	11,728,074	11,171,443	10,282,770
Unrestricted federal aid	155,883	161,832	174,719	58,536	60,202
Total general revenues	<u>23,726,410</u>	<u>21,209,574</u>	<u>20,709,527</u>	<u>19,432,278</u>	<u>18,013,062</u>
Changes in Net Position	<u>\$ (902,393)</u>	<u>\$ (2,068,315)</u>	<u>\$ (825,158)</u>	<u>\$ 1,394,856</u>	<u>\$ 98,007</u>

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

Note: Due to a change in legislation, beginning with fiscal year 2023, unrestricted county aid is now presented with property taxes.

(Concluded)

Tolleson Elementary School District No. 17
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
General Fund:					
Restricted	\$ 669,871	\$ 236,757	\$	\$	\$
Unassigned	6,516,054	6,089,373	5,249,546	3,138,809	2,191,858
Total General Fund	<u>\$ 7,185,925</u>	<u>\$ 6,326,130</u>	<u>\$ 5,249,546</u>	<u>\$ 3,138,809</u>	<u>\$ 2,191,858</u>
All Other Governmental Funds:					
Nonspendable	\$ 28,040	\$ 20,343	\$ 24,243	\$ 105,402	\$
Restricted	28,462,072	9,198,799	17,686,384	14,107,118	13,751,774
Unassigned	(845,650)	(2,444,169)	(4,367,885)	(953,073)	(629,898)
Total all other governmental funds	<u>\$ 27,644,462</u>	<u>\$ 6,774,973</u>	<u>\$ 13,342,742</u>	<u>\$ 13,259,447</u>	<u>\$ 13,121,876</u>

(Continued)

Tolleson Elementary School District No. 17
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General Fund:					
Nondisposable	\$	\$	\$ 208,527	\$	\$ 463,696
Unassigned	1,761,481	2,270,614	2,501,409	3,336,711	2,543,615
Total General Fund	<u>\$ 1,761,481</u>	<u>\$ 2,270,614</u>	<u>\$ 2,709,936</u>	<u>\$ 3,336,711</u>	<u>\$ 3,007,311</u>
All Other Governmental Funds:					
Restricted	\$ 8,437,523	\$ 19,650,779	\$ 5,357,018	\$ 5,465,835	\$ 5,031,697
Unassigned	(559,280)	(601,013)	(160)		(54,230)
Total all other governmental funds	<u>\$ 7,878,243</u>	<u>\$ 19,049,766</u>	<u>\$ 5,356,858</u>	<u>\$ 5,465,835</u>	<u>\$ 4,977,467</u>

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

(Concluded)

Tolleson Elementary School District No. 17
Governmental Funds Revenues
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Federal sources:					
Federal grants	\$ 7,243,164	\$ 8,582,277	\$ 3,427,204	\$ 3,690,010	\$ 2,473,207
National School Lunch Program	3,153,017	3,175,753	6,586,938	7,391,939	3,760,960
Total federal sources	<u>10,396,181</u>	<u>11,758,030</u>	<u>10,014,142</u>	<u>11,081,949</u>	<u>6,234,167</u>
State sources:					
State equalization assistance	16,361,307	14,766,203	11,839,671	11,010,840	12,108,584
State grants	861,541	788,543	854,480	1,004,815	641,561
School Facilities Oversight Board	955,244		34,549	379,912	55,609
Other revenues	2,462,831	2,302,692	2,422,683	1,721,866	1,683,622
Total state sources	<u>20,640,923</u>	<u>17,857,438</u>	<u>15,151,383</u>	<u>14,117,433</u>	<u>14,489,376</u>
Local sources:					
Property taxes	11,498,770	11,188,136	10,832,411	9,795,470	9,901,129
County aid			1,181,771	1,168,151	1,169,623
Food service sales	167,061	173,762	84,399	20,845	261,713
Investment income	529,878	304,998	149,255	162,708	222,961
Other revenues	509,973	526,047	696,080	681,931	954,768
Total local sources	<u>12,705,682</u>	<u>12,192,943</u>	<u>12,943,916</u>	<u>11,829,105</u>	<u>12,510,194</u>
Total revenues	<u><u>\$ 43,742,786</u></u>	<u><u>\$ 41,808,411</u></u>	<u><u>\$ 38,109,441</u></u>	<u><u>\$ 37,028,487</u></u>	<u><u>\$ 33,233,737</u></u>

(Continued)

Tolleson Elementary School District No. 17
Governmental Funds Revenues
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Federal sources:					
Federal grants	\$ 2,235,438	\$ 2,216,586	\$ 2,866,845	\$ 2,689,659	\$ 2,256,413
National School Lunch Program	3,137,531	2,923,210	2,693,821	2,430,154	2,202,048
Total federal sources	<u>5,372,969</u>	<u>5,139,796</u>	<u>5,560,666</u>	<u>5,119,813</u>	<u>4,458,461</u>
State sources:					
State equalization assistance	11,395,829	10,589,255	10,537,965	10,018,939	9,232,515
State grants	563,751	649,033	513,735	503,160	803,487
School Facilities Oversight Board	104,080	66,005	376,095	530,715	109,104
Other revenues	1,719,325	1,548,957	1,190,109	1,153,254	1,051,005
Total state sources	<u>13,782,985</u>	<u>12,853,250</u>	<u>12,617,904</u>	<u>12,206,068</u>	<u>11,196,111</u>
Local sources:					
Property taxes	8,872,493	7,546,923	7,598,917	7,162,343	6,648,839
County aid	1,209,549	1,209,430	1,160,952	1,065,587	980,201
Food service sales	231,959	237,956	213,190	230,523	208,471
Investment income	413,855	97,357	34,966	31,354	29,948
Other revenues	630,868	408,308	318,478	312,602	255,812
Total local sources	<u>11,358,724</u>	<u>9,499,974</u>	<u>9,326,503</u>	<u>8,802,409</u>	<u>8,123,271</u>
Total revenues	<u>\$ 30,514,678</u>	<u>\$ 27,493,020</u>	<u>\$ 27,505,073</u>	<u>\$ 26,128,290</u>	<u>\$ 23,777,843</u>

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

Note: Due to a change in legislation, beginning with fiscal year 2023, county aid is now presented with property taxes.

(Concluded)

Tolleson Elementary School District No. 17
Governmental Funds Expenditures and Debt Service Ratio
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Expenditures:					
Current -					
Instruction	\$ 17,021,938	\$ 17,355,295	\$ 15,082,027	\$ 14,176,711	\$ 15,148,061
Support services - students and staff	5,300,867	4,977,700	4,578,787	4,182,092	3,979,352
Support services - administration	3,812,955	3,811,854	3,291,958	3,140,979	3,033,148
Operation and maintenance of plant services	3,444,611	2,995,245	2,912,277	2,855,179	2,692,821
Student transportation services	794,106	634,674	510,901	449,237	509,887
Operation of non-instructional services	4,383,076	3,456,273	3,715,478	3,808,053	3,448,347
Capital outlay	4,060,199	10,431,853	2,154,694	4,030,050	7,495,793
Debt service -					
Principal retirement	2,300,000	2,696,899	2,561,052	2,307,051	2,122,428
Interest and fiscal charges	847,350	939,803	1,027,076	1,100,015	957,642
Bond issuance costs	362,745				278,314
Total expenditures	<u><u>\$ 42,327,847</u></u>	<u><u>\$ 47,299,596</u></u>	<u><u>\$ 35,834,250</u></u>	<u><u>\$ 36,049,367</u></u>	<u><u>\$ 39,665,793</u></u>
 Expenditures for capitalized assets	 \$ 3,224,818	 \$ 9,507,193	 \$ 531,878	 \$ 1,425,716	 \$ 2,580,409
 Debt service as a percentage of noncapital expenditures	 8%	 10%	 10%	 10%	 8%

(Continued)

Tolleson Elementary School District No. 17
Governmental Funds Expenditures and Debt Service Ratio
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Expenditures:					
Current -					
Instruction	\$ 14,448,386	\$ 13,654,022	\$ 12,632,776	\$ 11,416,155	\$ 10,838,256
Support services - students and staff	4,066,415	3,941,711	3,525,685	3,079,072	3,213,204
Support services - administration	2,904,434	2,850,444	2,812,730	2,603,475	2,526,726
Operation and maintenance of plant services	2,737,152	2,207,055	2,539,174	1,710,897	2,476,051
Student transportation services	626,579	574,392	503,032	459,093	407,610
Operation of non-instructional services	2,870,083	2,588,549	2,245,689	1,996,946	1,963,340
Capital outlay	12,332,604	1,973,580	2,965,885	2,303,156	1,499,137
Debt service -					
Principal retirement	1,405,000	970,000	930,000	945,000	960,000
Interest and fiscal charges		419,423	294,381	333,032	373,458
Bond issuance costs	804,681	278,191			
Total expenditures	<u><u>\$ 42,195,334</u></u>	<u><u>\$ 29,457,367</u></u>	<u><u>\$ 28,449,352</u></u>	<u><u>\$ 24,846,826</u></u>	<u><u>\$ 24,257,782</u></u>
Expenditures for capitalized assets	\$ 10,506,964	\$ 833,156	\$ 1,301,919	\$ 792,098	\$ 588,474
Debt service as a percentage of noncapital expenditures	4%	5%	5%	5%	6%

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

(Concluded)

Tolleson Elementary School District No. 17
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>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Excess (deficiency) of revenues over expenditures	\$ 1,414,939	\$ (5,491,185)	\$ 2,275,191	\$ 979,120	\$ (6,432,056)
Other financing sources (uses):					
Issuance of school improvement bonds	18,535,000				7,970,000
Issuance of refunding bonds					2,990,000
Premium on sale of bonds	1,779,345				1,392,814
Payment to refunded bond escrow agent					(3,045,000)
Capital lease agreements					2,772,430
Transfers in	550,055	892,688	936,629	1,029,011	969,250
Transfers out	(550,055)	(892,688)	(936,629)	(1,029,011)	(969,250)
Total other financing sources (uses)	<u>20,314,345</u>	<u></u>	<u></u>	<u></u>	<u>12,080,244</u>
Changes in fund balances	<u>\$ 21,729,284</u>	<u>\$ (5,491,185)</u>	<u>\$ 2,275,191</u>	<u>\$ 979,120</u>	<u>\$ 5,648,188</u>
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Excess (deficiency) of revenues over expenditures	\$ (11,680,656)	\$ (1,964,347)	\$ (944,279)	\$ 1,281,464	\$ (479,939)
Other financing sources (uses):					
Issuance of school improvement bonds		14,200,000			
Premium on sale of bonds		1,208,983			
Insurance recoveries		17,477			
Transfers in	922,612	741,449	324,249	251,631	357,587
Transfers out	(922,612)	(741,449)	(324,249)	(251,631)	(357,587)
Total other financing sources (uses)	<u></u>	<u>15,426,460</u>	<u></u>	<u></u>	<u></u>
Changes in fund balances	<u>\$ (11,680,656)</u>	<u>\$ 13,462,113</u>	<u>\$ (944,279)</u>	<u>\$ 1,281,464</u>	<u>\$ (479,939)</u>

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

Tolleson Elementary School District No. 17
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>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Commercial, Industrial, Utilities and Mining	\$ 219,499,933	\$ 205,352,160	\$ 187,896,661	\$ 171,027,801	\$ 157,934,749
Agricultural and Vacant	6,514,841	7,004,172	8,325,139	7,253,542	7,449,007
Residential (Owner Occupied)	23,390,524	22,292,554	21,213,722	19,702,263	18,010,467
Residential (Rental)	25,834,006	21,674,628	20,021,625	19,014,425	17,454,666
Railroad, Private Cars and Airlines	933,670	762,701	685,481	662,524	658,595
Historical Property	<u>793,515</u>	<u>824,424</u>	<u>739,299</u>	<u>724,189</u>	<u>729,925</u>
Total	<u>\$ 276,966,489</u>	<u>\$ 257,910,639</u>	<u>\$ 238,881,927</u>	<u>\$ 218,384,744</u>	<u>\$ 202,237,409</u>
Gross Full Cash Value	\$ 3,981,088,739	\$ 3,164,690,785	\$ 2,979,905,243	\$ 2,646,582,391	\$ 2,391,571,552
Ratio of Net Limited Assessed Value to Gross Full Cash Value	6.96%	8.15%	8.02%	8.25%	8.46%
Total Direct Rate	4.27	4.31	4.38	4.60	4.93

<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	\$ 139,478,309	\$ 129,464,706	\$ 115,746,177	\$ 106,277,208	\$ 103,140,597
Agricultural and Vacant	7,440,555	9,432,394	9,827,683	10,008,829	9,989,781
Residential (Owner Occupied)	16,437,615	15,393,367	14,475,693	13,787,455	13,205,244
Residential (Rental)	16,226,032	15,564,811	14,958,164	14,249,217	13,558,914
Railroad, Private Cars and Airlines	651,018	699,718	683,119	751,522	802,418
Historical Property	<u>736,229</u>	<u>1,163,122</u>	<u>1,129,112</u>	<u>1,061,900</u>	<u>1,206,010</u>
Total	<u>\$ 180,969,758</u>	<u>\$ 171,718,118</u>	<u>\$ 156,819,948</u>	<u>\$ 146,136,131</u>	<u>\$ 141,902,964</u>
Gross Full Cash Value	\$ 2,173,813,105	\$ 1,998,917,395	\$ 1,755,988,636	\$ 1,485,425,876	\$ 1,188,317,026
Ratio of Net Limited Assessed Value to Gross Full Cash Value	8.32%	8.59%	8.93%	9.84%	11.94%
Total Direct Rate	4.84	4.47	4.80	4.01	4.57

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

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

Tolleson Elementary School District No. 17
Net Full Cash Assessed Value of Taxable Property by Class
Last Ten Fiscal Years

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Commercial, Industrial, Utilities and Mining	\$ 361,112,100	\$ 291,854,255	\$ 279,503,810	\$ 250,169,520	\$ 229,213,804
Agricultural and Vacant	12,140,692	12,525,542	14,459,585	11,026,574	10,700,870
Residential (Owner Occupied)	59,930,886	45,094,407	41,839,142	37,299,209	31,670,724
Residential (Rental)	58,090,758	43,087,470	37,934,816	33,841,298	28,938,161
Railroad, Private Cars and Airlines	1,207,129	1,231,820	893,923	843,191	817,507
Historical Property	1,473,671	1,089,904	1,260,610	1,218,655	1,215,845
Total	\$ 493,955,236	\$ 394,883,398	\$ 375,891,886	\$ 334,398,447	\$ 302,556,911
Gross Full Cash Value	\$ 3,981,088,739	\$ 3,164,690,785	\$ 2,979,905,243	\$ 2,646,582,391	\$ 2,391,571,552
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	12.41%	12.48%	12.61%	12.64%	12.65%
Estimated Net Full Cash Value	\$ 3,397,479,777	\$ 2,649,669,870	\$ 2,468,841,026	\$ 2,202,358,807	\$ 1,980,866,377
Total Direct Rate	4.27	4.31	4.38	4.60	4.93

<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	\$ 197,585,151	\$ 185,131,536	\$ 153,678,740	\$ 126,948,984	\$ 106,712,221
Agricultural and Vacant	10,388,699	13,489,787	12,609,771	11,159,990	10,431,169
Residential (Owner Occupied)	30,274,784	24,377,873	22,717,947	20,636,201	14,851,536
Residential (Rental)	27,403,128	23,462,721	21,465,706	19,399,736	15,118,527
Railroad, Private Cars and Airlines	788,261	818,376	732,533	766,256	810,148
Historical Property	1,121,300	1,569,430	1,357,960	1,227,850	1,672,000
Total	\$ 267,561,323	\$ 248,849,723	\$ 212,562,657	\$ 180,139,017	\$ 149,595,601
Gross Full Cash Value	\$ 2,173,813,105	\$ 1,998,917,395	\$ 1,755,988,636	\$ 1,485,425,876	\$ 1,188,317,026
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	12.31%	12.45%	12.11%	12.13%	12.59%
Estimated Net Full Cash Value	\$ 1,767,002,684	\$ 1,633,667,149	\$ 212,562,657	\$ 180,139,017	\$ 149,595,601
Total Direct Rate	4.84	4.47	4.80	4.01	4.57

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.

Tolleson Elementary School District No. 17
Property Tax Assessment Ratios
Last Ten Fiscal Years

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Commercial, Industrial, Utilities and Mining	17 %	18 %	18 %	18 %	18 %
Agricultural and Vacant	15	15	15	15	15
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	14	15	15	15	15

<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

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.

Tolleson Elementary School District No. 17
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Fiscal Year Ended June 30	Overlapping Rates									District Direct Rates		
	State		Flood	Community	Central	City of	City of	City of	Tolleson Union	Primary	Secondary	Total
	Equalization	County	Control District	College District	Arizona Water	Phoenix	Tolleson	Avondale	High School District No. 214			
2024		1.20	0.15	1.14	0.14	2.10	2.64	1.46	5.31	1.91	2.36	4.27
2023		1.25	0.16	1.19	0.01	2.11	2.68	1.55	5.41	1.92	2.39	4.31
2022	0.43	1.35	0.18	1.23	0.14	2.12	2.75	1.42	4.73	1.95	2.43	4.38
2021	0.44	1.40	0.18	1.29	0.14	2.13	3.53	1.42	4.71	2.04	2.56	4.60
2020	0.46	1.40	0.18	1.33	0.14	2.13	3.72	1.65	5.01	2.09	2.84	4.93
2019	0.47	1.40	0.18	1.38	0.14	2.14	3.83	1.76	4.45	2.13	2.71	4.84
2018	0.49	1.40	0.18	1.41	0.14	2.16	3.99	1.60	3.94	2.12	2.35	4.47
2017	0.50	1.40	0.18	1.47	0.14	2.17	3.97	1.70	3.57	2.22	2.59	4.80
2016	0.51	1.36	0.16	1.49	0.14	1.82	3.97	1.75	4.01	2.40	1.61	4.01
2015	0.51	1.32	0.14	1.52	0.14	1.82	3.75	1.75	4.53	1.98	2.59	4.57

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

Note: There was no state equalization levy for the years ended June 30, 2023 and June 30, 2024.

Tolleson Elementary School District No. 17
Principal Property Taxpayers
Current Fiscal Year and Fiscal Year Nine Years Prior

Taxpayer	2024		2015	
	Net Limited Assessed Valuation	Percentage of District's Net Limited Assessed Valuation	Secondary Assessed Valuation	Percentage of District's Net Full Cash Assessed Valuation
CLNC NNN Alberts AZ LLC	\$ 12,720,987	4.59 %		
Prologis-Exchange Westside Business Park LLC	8,624,740	3.11		
JBS Tolleson Inc	6,137,313	2.22		
SBSS W Jefferson LLC 448 W Jefferson LLC Stealth	6,081,825	2.20		
Tolleson 70 LLC	5,405,928	1.95		
Fip Master Funding I LLC	4,437,962	1.60		
PR 101 Logistics Park Building 2 LLC	4,385,745	1.58		
Majestic Sieroty Tolleson LLC	3,903,080	1.41		
Tolleson Logistics TIC Owner I LLC	3,898,349	1.41		
First Industrial Lp	3,875,154	1.40		
LBA Realty Fund III Company IX LLC			\$ 8,272,637	5.53 %
ABS SW Investor LLC			4,831,938	3.23
Raintree Pad 2 LLC			3,829,647	2.56
91st Avenue Investments LLC			3,395,820	2.27
Banner Health			2,991,912	2.00
Pratte Buckeye Property LLC			2,528,166	1.69
The Prince Company			2,468,327	1.65
Credit Suisse 1st Boston Mortgage Securities			2,468,327	1.65
BRY PL LP			2,154,177	1.44
Quiktrip Corporation			2,109,298	1.41
Total	<u>\$ 59,471,083</u>	<u>21.47 %</u>	<u>\$ 35,050,249</u>	<u>23.43 %</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.

Tolleson Elementary School District No. 17
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
2024	\$ 11,902,492	\$ 11,672,848	98.07 %	\$	\$ 11,672,848	98.07 %
2023	11,240,551	11,041,359	98.23	76,828	11,118,187	98.91
2022	10,709,692	10,565,239	98.65	119,574	10,684,813	99.77
2021	10,015,163	9,702,800	96.88	310,955	10,013,755	99.99
2020	10,073,311	9,761,293	96.90	311,219	10,072,512	99.99
2019	8,885,712	8,772,156	98.72	113,197	8,885,353	100.00
2018	7,616,051	7,565,094	99.33	50,562	7,615,656	99.99
2017	7,475,971	7,320,680	97.92	154,951	7,475,631	100.00
2016	7,174,735	7,103,412	99.01	71,037	7,174,449	100.00
2015	6,712,294	6,569,985	97.88	142,036	6,712,021	100.00

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

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

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

Tolleson Elementary School District No. 17
Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds						Total Outstanding Debt				
	Less: Amounts Restricted for			Percentage of Estimated Actual Value		Financed Purchases and Leases	Percentage of Estimated Actual Value			Percentage of Personal Income	
	General Obligation Bonds	Principal	Total	(Full Cash Value)	Per Capita		Total	(Full Cash Value)	Per Capita		
2024	\$ 40,902,531	\$ 161,974	\$ 40,740,557	1.02 %	\$ 2,332	\$	\$ 40,902,531	1.03 %	\$ 2,332	0.01 %	
2023	22,809,182	172,954	22,636,228	0.72	1,263		22,809,182	0.72	1,263	0.01	
2022	24,805,178	302,653	24,502,525	0.82	1,374	621,899	25,427,077	0.85	1,408	0.01	
2021	26,566,174	248,344	26,317,830	0.99	1,502	1,332,951	27,899,125	1.05	1,577	0.01	
2020	28,087,170	357,378	27,729,792	1.16	1,615	2,025,002	30,112,172	1.26	1,731	0.01	
2019	20,330,352		20,330,352	0.94	1,197		20,330,352	0.94	1,197	0.01	
2018	21,363,983	64,554	21,299,429	1.07	2,965		21,363,983	1.07	2,965	0.01	
2017	6,885,000	171,407	6,713,593	0.38	995		6,885,000	0.39	995	0.00	
2016	7,830,000	69,265	7,760,735	0.52	1,145		7,830,000	0.53	1,145	0.00	
2015	8,790,000	15,630	8,774,370	0.74	1,302		8,790,000	0.74	1,302	0.01	

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

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

Tolleson Elementary School District No. 17
Direct and Overlapping Governmental Activities Debt
June 30, 2024

<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:			
State of Arizona	\$ None	0.33 %	\$
Maricopa County	None	0.51	
Maricopa County Community College	135,585,000	0.51	691,484
Maricopa County Special Health Care District	600,335,000	0.51	3,061,709
City of Avondale	41,550,000	5.58	2,318,490
City of Phoenix	815,395,000	0.30	2,446,185
City of Tolleson	16,950,850	66.37	11,250,279
Western Maricopa Education Center District No. 402	130,195,000	1.35	1,757,633
Tolleson Union High School District No. 14	290,850,000	15.99	46,506,915
Subtotal, Overlapping Debt			<u>68,032,695</u>
Direct:			
Tolleson Elementary School District No. 17			<u>40,902,531</u>
Total Direct and Overlapping Governmental Activities Debt			<u>\$ 108,935,226</u>

Direct and Overlapping General Bonded Debt Ratios

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation	14.71 %	
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 4,973	
As a Percentage of Net Limited Assessed Valuation	39.27 %	
As a Percentage of Estimated Gross Full Cash Value	2.73 %	

Source: The source of this information is the Arizona Tax Research Association, County Assessor, County Treasurer and the Arizona Department of Revenue.

Note: 1) Estimated percentage of debt outstanding applicable to the District is calculated based on a portion of the District's net limited assessed valuation as a percentage of the net limited assessed valuation of the overlapping jurisdiction.
2) Outstanding debt as of June 30, 2023 is presented for the overlapping governments as this is the most recent available information.

Tolleson Elementary School District No. 17
Legal Debt Margin Information
Last Ten Fiscal Years

Class B Bond Legal Debt Margin Calculation for Fiscal Year 2024:

Net full cash assessed valuation	\$ 493,955,236
Debt limit (10% of assessed value)	49,395,524
Debt applicable to limit	<u>40,279,819</u>
Legal debt margin	<u><u>\$ 9,115,705</u></u>

Total Legal Debt Margin Calculation for Fiscal Year 2024:

Net full cash assessed valuation	\$ 493,955,236
Debt limit (15% of assessed value)	74,093,285
Debt applicable to limit	<u>40,279,819</u>
Legal debt margin	<u><u>\$ 33,813,466</u></u>

	Fiscal Year Ended June 30				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Debt Limit	\$ 74,093,285	\$ 59,232,510	\$ 56,383,783	\$ 50,159,767	\$ 45,383,537
Total net debt applicable to limit	<u>40,279,819</u>	<u>21,816,062</u>	<u>23,742,176</u>	<u>25,393,227</u>	<u>27,557,465</u>
Legal debt margin	<u><u>\$ 33,813,466</u></u>	<u><u>\$ 37,416,448</u></u>	<u><u>\$ 32,641,607</u></u>	<u><u>\$ 24,766,540</u></u>	<u><u>\$ 17,826,072</u></u>
Total net debt applicable to the limit as a percentage of debt limit	54%	37%	42%	51%	61%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Debt Limit	\$ 40,134,198	\$ 37,327,458	\$ 31,884,399	\$ 27,020,853	\$ 22,439,340
Total net debt applicable to limit	<u>19,985,000</u>	<u>20,955,000</u>	<u>6,885,000</u>	<u>7,830,000</u>	<u>8,790,000</u>
Legal debt margin	<u><u>\$ 20,149,198</u></u>	<u><u>\$ 16,372,458</u></u>	<u><u>\$ 24,999,399</u></u>	<u><u>\$ 19,190,853</u></u>	<u><u>\$ 13,649,340</u></u>
Total net debt applicable to the limit as a percentage of debt limit	50%	56%	22%	29%	39%

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.

Tolleson Elementary School District No. 17
County-Wide Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population	Personal Income (thousands)	Per Capita Income	Unemployment Rate	Estimated District Population
2023	4,665,020	\$ 288,842,282	\$ 63,461	3.4 %	17,543
2022	4,586,431	288,842,282	63,461	3.3	18,055
2021	4,507,419	268,713,717	59,759	4.5	18,055
2020	4,439,220	245,077,753	53,521	6.6	17,686
2019	4,367,835	222,943,072	49,704	3.6	17,392
2018	4,294,460	210,370,180	47,694	4.1	16,983
2017	4,307,033	196,286,191	45,573	4.2	7,205
2016	4,137,076	185,613,641	43,845	4.5	6,920
2015	4,076,439	178,469,430	42,962	5.5	6,837
2014	4,087,191	168,483,421	41,222	5.9	6,750

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

Tolleson Elementary School District No. 17
Principal Employers
Current Fiscal Year and Fiscal Year Nine Years Prior

Employer	2024		2015	
	Employees	Percentage of Total Employment	Employees	Percentage of Total Employment
Banner Health	26,670	1.41 %	26,472	1.42 %
Amazon	23,260	1.23		
State of Arizona	22,350	1.18	49,800	2.67
Walmart Stores Inc.	17,450	0.92	30,634	1.64
Frys Food Stores	15,110	0.80	12,510	0.67
Intel Corporation	12,810	0.68	11,760	0.63
Maricopa County	11,580	0.61	12,698	0.68
Arizona State University	11,300	0.60	11,185	0.60
Wells Fargo	10,420	0.55	13,287	0.71
United States Department of the Air Force	9,310	0.49		
City of Phoenix			15,100	0.81
Bank of America			9,809	0.53
JP Morgan Chase & Co				
Total	<u>160,260</u>	<u>8.47 %</u>	<u>193,255</u>	<u>10.36 %</u>
Total employment	<u>1,893,180</u>		<u>1,863,600</u>	

Source: The source of this information is the Maricopa Association of Governments Employer Database.

Note: The principal employers were not available for the District alone, therefore, the principal employers for Maricopa County are presented.

Tolleson Elementary School District No. 17
Full-Time Equivalent District Employees by Type
Last Ten Fiscal Years

	Full-time Equivalent Employees as of June 30				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Supervisory					
Superintendent	1	1	1	1	1
Assistant superintendents	1	1			
Executive directors	1		5	5	5
Directors/Administrators	4				
Consultants/supervisors of instruction		3	2	2	2
Principals	4	4	4	4	4
Assistant principals	3	3	4	4	4
Total supervisory	<u>14</u>	<u>12</u>	<u>16</u>	<u>16</u>	<u>16</u>
Instruction					
Teachers	166	163	163	163	163
Other professionals (instructional)	12	14	15	15	15
Student teacher interns			9	9	9
Aides	68	61	49	49	49
Total instruction	<u>246</u>	<u>238</u>	<u>236</u>	<u>236</u>	<u>236</u>
Student Services					
Nurses	4	4	3	3	3
Nurses aide			1	1	1
Counselors/Advisors	8	8			
Health services			6	6	6
Librarians		4	1	1	1
Library clerk	4		3	3	3
Technicians	12	11			
Total student services	<u>28</u>	<u>27</u>	<u>14</u>	<u>14</u>	<u>14</u>
Support and Administration					
Office staff	5		10	10	10
Secretaries and clerical	17		11	11	11
Maintenance and custodial	10		6	6	6
Transportation	8		8	8	8
Technology	5		5	5	5
Food service	4		6	6	6
Other					
Service workers	4	55			
Total support and administration	<u>53</u>	<u>55</u>	<u>46</u>	<u>46</u>	<u>46</u>
Total	<u><u>341</u></u>	<u><u>332</u></u>	<u><u>312</u></u>	<u><u>312</u></u>	<u><u>312</u></u>

(Continued)

Tolleson Elementary School District No. 17
Full-Time Equivalent District Employees by Type
Last Ten Fiscal Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Supervisory					
Superintendent					
Assistant superintendents					
Executive directors					
Directors/Administrators					
Consultants/supervisors of instruction					
Principals	4	4	4	4	4
Assistant principals	3	3	3	3	3
Total supervisory	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>
Instruction					
Teachers	161	159	159	148	144
Other professionals (instructional)	9	11	8	12	12
Student teacher interns					
Aides	49	48	49	31	30
Total instruction	<u>219</u>	<u>218</u>	<u>216</u>	<u>191</u>	<u>186</u>
Student Services					
Nurses	3	3	3	3	3
Nurses aide					
Counselors/Advisors					
Health services	3	3	2	2	2
Librarians	3	2	3	3	3
Library clerk					
Technicians	10	10	10	9	9
Total student services	<u>19</u>	<u>18</u>	<u>18</u>	<u>17</u>	<u>17</u>
Support and Administration					
Office staff	10	10	9	8	8
Secretaries and clerical	11	11	11	10	10
Maintenance and custodial	9	9	9	10	10
Transportation	10	9	9	10	9
Technology	3	3	3	3	3
Food service	5	5	5	7	7
Other	10	9	7	7	7
Service workers					
Total support and administration	<u>58</u>	<u>56</u>	<u>53</u>	<u>55</u>	<u>54</u>
Total	<u>303</u>	<u>299</u>	<u>294</u>	<u>270</u>	<u>264</u>

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

(Concluded)

Tolleson Elementary School District No. 17
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
2024	2,561	\$ 34,757,553	\$ 13,572	5.94 %	\$ 38,076,978	\$ 14,868	4.26 %	166	15.4	79.0 %
2023	2,594	33,231,041	12,811	10.09	36,993,174	14,261	6.80	163	15.9	67.0
2022	2,586	30,091,428	11,636	6.35	34,531,850	13,353	(0.97)	163	15.9	86.0
2021	2,615	28,612,251	10,942	6.75	35,259,820	13,484	(1.82)	163	16.0	86.0
2020	2,811	28,811,616	10,250	5.56	38,606,757	13,734	23.63	163	17.2	86.0
2019	2,848	27,653,049	9,710	12.23	31,638,427	11,109	11.12	161	17.7	87.0
2018	2,984	25,816,173	8,652	3.89	29,832,111	9,997	4.12	159	18.8	86.0
2017	2,913	24,259,086	8,328	9.81	27,968,671	9,601	8.68	159	18.3	87.0
2016	2,804	21,265,638	7,584	(2.97)	24,770,851	8,834	1.49	148	18.9	81.0
2015	2,741	21,425,187	7,817	6.87	23,859,397	8,705	5.01	144	19.0	80.0

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

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

Tolleson Elementary School District No. 17
Capital Assets Information
Last Ten Fiscal Years

	Fiscal Year Ended June 30									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>Schools</u>										
Elementary										
Buildings	25	25	25	25	25	25	25	25	25	25
Square feet	412,908	412,908	412,908	412,908	412,908	365,648	365,648	365,648	365,648	365,648
Capacity	4,200	4,200	4,200	4,200	4,200	3,500	3,500	3,500	3,500	3,500
Enrollment	2,813	2,840	2,840	2,840	3,260	3,320	3,369	3,369	2,991	3,193
<u>Administrative</u>										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
<u>Transportation</u>										
Garages	1	1	1	1	1	1	1	1	1	1
Square feet	14,655	14,655	14,655	14,655	14,655	14,655	14,665	14,665	14,665	14,665
<u>Athletics</u>										
Soccer fields	3	3	3	3	3	3	3	3	3	3
Baseball/softball	5	5	4	4	4	4	4	4	4	4
Playgrounds	9	9	9	9	9	9	9	9	9	9

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

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