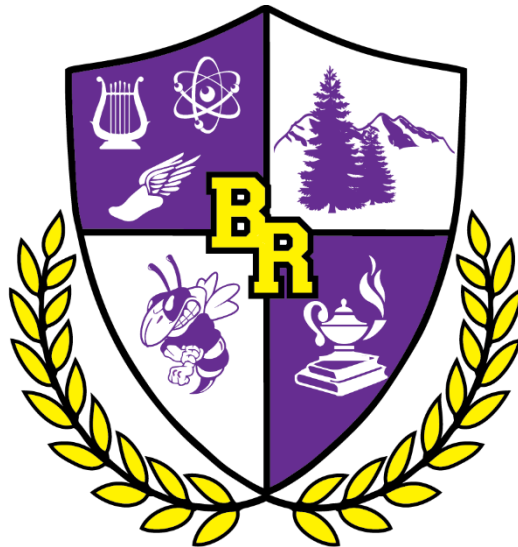

Blue Ridge Unified School District No. 32

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2024



BLUE RIDGE SCHOOL DISTRICT

TRADITION • ACHIEVEMENT • INNOVATION

EST 1963

Blue Ridge Unified School District No. 32

Lakeside, Arizona

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

Issued by:
Business and Finance Department

Blue Ridge Unified School District No. 32

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Blue Ridge Unified School District No. 32

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Introductory Section

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Blue Ridge Unified School District #32
1200 West White Mountain Blvd.
Lakeside, AZ 85929
(928) 368-6126
FAX 928-368-5570

Dr. Michael L. Wright
Superintendent of Schools

Kimberly Dugdale
Chief Financial Officer

January 27, 2025

Citizens and Governing Board
Blue Ridge Unified School District No. 32
1200 W. White Mountain Blvd.
Lakeside, AZ 85929

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 Blue Ridge Unified School District No. 32 (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.

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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 Blue Ridge District is located in the community of Pinetop-Lakeside, part of the scenic White Mountains, an area well-known for its outdoor activities, including hiking, hunting, fishing and skiing. There are approximately 4,245 year-round residents. The local community's economy is hospitality-based, relying most on tourism. Sitting at an elevation of 6,800 feet, Pinetop-Lakeside offers clean crisp air, miles of trails through the world's largest Ponderosa Pine Forest, and over 200 streams and lakes. The population of the area swell in the summer months to over 35,000 to 40,000 people. Households in Pinetop-Lakeside have a median annual income of \$61,402, which is less than the median annual income of \$80,610 across the entire United States.

Blue Ridge Unified School District No. 32 was established in 1963 and is one of 22 public school districts located in Navajo County, Arizona. Our three schools provide public education programs for approximately 1,581 students grades K-12 (51 of which are from the communities of Concho, McNary and Whiteriver). Blue Ridge Elementary supports approximately 805 students, grades PK-6. The junior high and high schools serve 232 and 600 students, respectively. Projected enrollment for 2024-25 is 1,635 students.

Students in grades 7-12 enjoy a wide range of curricular, co-curricular and extracurricular activities. Blue Ridge High School also provides opportunities for its students to participate in Career and Technology Education, CTE programs both onsite and through our association with Northern Arizona Vocational Institute of Technology (NAVIT). Northern Pioneer College provides concurrent enrollment opportunity for our high school students, enabling them to receive college credit while attending high school. Our academic, fine arts and athletic programs have longstanding traditions of excellence and high achievement.

A few large retailers such as Walmart, Summit Health Care, Home Depot and Lowes combined employ several hundred full-time employees. The Blue Ridge Unified School District employs about 250 people, making it one of the largest employers in the immediate area.

Property valuations have begun to improve over the last 24 months, and real estate locally has experienced an increase in value. Homes are selling faster than normal; however, the construction industry has not approached pre-recession levels, nor is it expected to do so. Most new construction is targeted to second home owners and retirees. There are no immediate plans for building large-scale single-family home projects. The District does not anticipate experiencing any significant growth over the next several years. However, it has consolidated its facilities to position itself in the event it experiences either rapid growth or declining enrollment. The average age of school buildings is 40 years old.

Arizona public school districts are supported on a current year funding basis which has further complicated school funding. Student enrollment drives district financial resources based on average daily membership (ADM), or student count. This reality makes long-term financial planning difficult for school districts statewide. The ability to maintain the current level of educational and extracurricular programs will be based largely on the District's ability to successfully pass future override initiatives. The current level of educational and extracurricular programming cannot be maintained past 2025 without additional override or state-funded support.

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 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 governance 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 body 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 with a separately elected governing body, is legally distinct, and is fiscally independent of other state or local governments. Furthermore, there are no component units combined with the District for financial statement presentation purposes, and the District is not included in any other governmental reporting entity. Consequently, the District's financial statements include only the funds of those organizational entities for which its elected governing board is financially accountable. The District's major operations include education, student transportation, construction and maintenance of District facilities, food services, and extracurricular functions including music and athletic programs.

The District has outstanding bond obligations in the amount of \$11.7 million against a total bonding capacity of \$134.3 million. It is important to note that Proposition 301 monies were set to expire in 2021 but were extended for another 20 years. These dollars provide much needed salary increases for instructional staff.

Capital funding for all public school districts remains woefully short of meeting operational needs. A lawsuit against the state has been seen and full restoration should occur the next two years.

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 single most influential driver of our local economy is tourism. The town of Pinetop-Lakeside serves as a destination location for summer, fall and winter tourists. Hiking, fishing, hunting, and skiing draw considerable numbers of tourists each year. Wildfires and dry winter months present significant financial risks to the local economy.

Local business consist mostly of retail, restaurant, and lodging operations. Summit Health Care is the anchor for the community's medical facilities. The region has suffered a reduction in high paying jobs at three power plants operated by Tucson Electric, Arizona Public Service and the Salt River Project over the last several years. Each of these organizations is slowly scaling back their respective business operations locally in the coming years.

The District's growth in its free and reduced lunch programs demonstrates an increase in residents living at or below the poverty level. Since the recession of 2008, unemployment in the broader region has remained higher than statewide levels. The surrounding communities generally have lower property values, driving a lower cost of living, which seems to attract young families to neighboring communities.

Long-term Financial Planning.

Funding for Arizona public schools is driven by average daily membership (ADM), or student count. Recently, the Arizona Legislature changed the way in which school districts receive funding. Until just recently, funding was based upon prior year's student population. This approach enabled school districts to estimate their financial resources for future planning. The new funding mechanism, (current year) forces districts to adjust their staffing and programing immediately to achieve operational alignment with allocated resources (as determined by current student populations). Strategic planning is made difficult in the absence of certainty of financial resources. Therefore, schools are forced to take a more reactive approach within their planning and operations.

In March 2015, the Governing School Board authorized its superintendent to implement a District-wide strategic plan which, among other things, called for an evaluation of the District's people, programs and future budget recommendations. As a result, by the end of the 2015 school year, several changes were made impacting both personnel and programs.

By the beginning of the 2016-17 school year, the District had consolidated a number of administrative positions, reducing its administrative costs by \$463,000 dollars. Additional operational changes were made to increase efficiency while reducing costs.

In the spring 2016, the superintendent formed a committee represented by all key educational stakeholders to evaluate the condition of the District's existing facilities and educational supports. Discovered by the Committee was the impact of years of deferred maintenance resulting from deep and lasting cuts to the District's capital funding. Subsequently, many of the District's facilities and assets were found in a state of disrepair. After a series of community hearings and committee meetings, the Board approved a \$15 million bond election. The bond was approved during the November 2016 presidential election, followed by a successful bond sale in December of that same year. Since that time, over \$10 million has been invested in busses, computers, facilities and buildings. The bond dollars also funded the consolidation of the elementary and middle schools, and the relocation of the junior high. In addition, the District strategically relocated students to our newest, most energy efficient campus, while restoring and reopening a school closed for seven years. The consolidation also repurposed our oldest, least efficient school building by leasing a good portion of it to a local church. The remaining portion services our pre-K programs.

The District implemented its Education Master Plan prior to the start of the 2023-24 school year. This plan considers immediate and future operational and educational needs District-wide from 2014-28. The financial resources required to support identified needs will be incorporated within the plan. In addition, future planning will include the operational adjustments required to respond to both student growth and declining enrollment.

Awards and Acknowledgment

Awards. The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2023. This was the seventh 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 that reads "Michael L. Wright" followed by "EDD." in a smaller font.

Michael L. Wright
Superintendent of Schools

A handwritten signature in blue ink that reads "Kimberly Dugdale".

Kimberly Dugdale
Chief Financial Officer



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Blue Ridge Unified School District

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

**Blue Ridge Unified School District No. 32
Arizona**

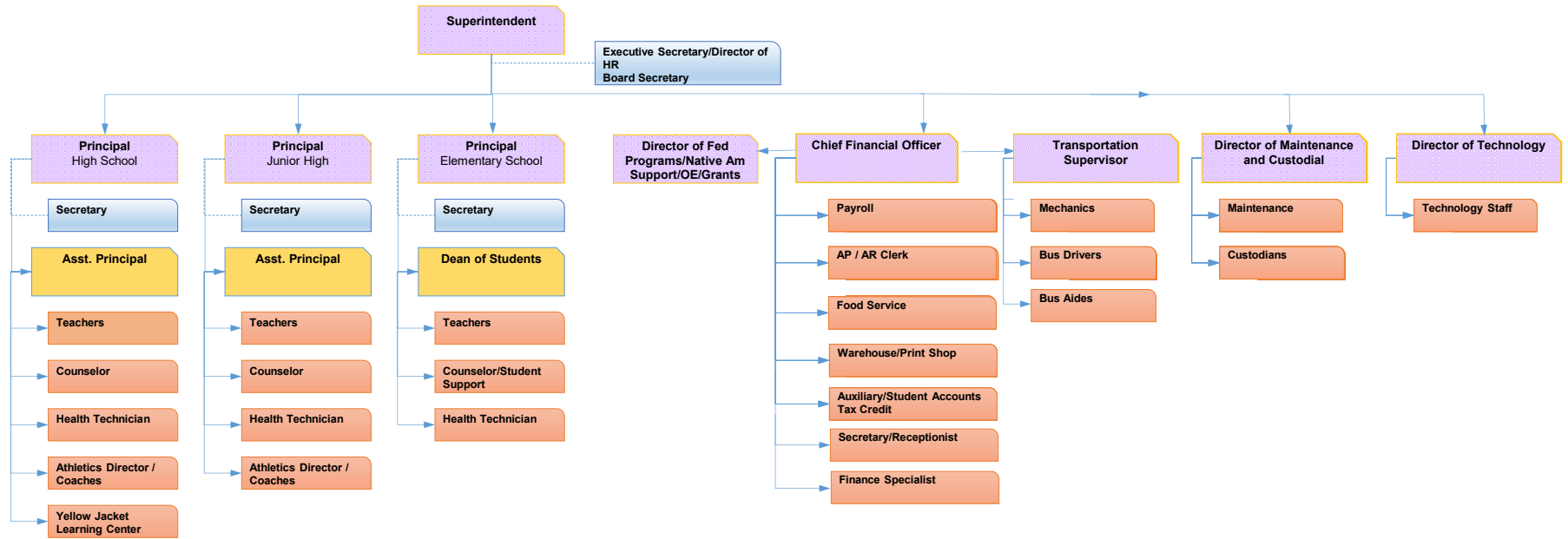
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

Blue Ridge Unified School District Organization Chart 2023-2024



Blue Ridge Unified School District No. 32

List of Principal Officials

Governing Board

David Merrill, Board President

Charles Waldo, Vice President

Margaret Gabe, Board Member

Diana Butler, Board Member

Jennifer Brimhall, Board Member

Administrative Staff

Michael L. Wright, Superintendent of Schools

Kimberly Dugdale, Chief Financial Officer

Financial Section

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Independent Auditor's Report

Governing Board
Blue Ridge Unified School District No. 32

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 Blue Ridge Unified School District No. 32 (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 Blue Ridge Unified School District No. 32, as of June 30, 2024, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Blue Ridge Unified School District No. 32 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 January 27, 2025, on our consideration of Blue Ridge Unified School District No. 32'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 Blue Ridge Unified School District No. 32'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 Blue Ridge Unified School District No. 32's internal control over financial reporting and compliance.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Flagstaff, Arizona
January 27, 2025

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

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Blue Ridge Unified School District No. 32
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

As management of the Blue Ridge Unified School District No. 32 (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 \$2.2 million which represents a seven percent increase from the prior fiscal year primarily as a result of an increase in the secondary property tax rate.
- General revenues accounted for \$20.3 million in revenue, or 76 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$6.5 million or 24 percent of total current fiscal year revenues.
- The District had approximately \$24.6 million in expenses related to governmental activities, a decrease of five percent from the prior fiscal year due to a similar decrease in revenues related to COVID-19 funding ending.
- Among major funds, the General Fund had \$15.9 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$14.6 million in expenditures. The General Fund's fund balance increase from \$6.5 million at the prior fiscal year end to \$7.8 million at the end of the current fiscal year was primarily due to an increase in the property tax levied for the fiscal year.

Overview of Financial Statements

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

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

Blue Ridge Unified School District No. 32
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

Overview of Financial Statements

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

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

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

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

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

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

Blue Ridge Unified School District No. 32
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

Overview of Financial Statements

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

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

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

Government-Wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$31.9 million at the current fiscal year end.

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

Blue Ridge Unified School District No. 32
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

Government-Wide Financial Analysis

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, as restated
Current assets	\$ 13,220,769	\$ 12,006,421
Capital assets, net	47,398,950	48,653,632
Total assets	<u>60,619,719</u>	<u>60,660,053</u>
Deferred outflows	<u>1,899,550</u>	<u>2,585,194</u>
Current and other liabilities	280,110	392,505
Long-term liabilities	28,890,633	32,329,935
Total liabilities	<u>29,170,743</u>	<u>32,722,440</u>
Deferred inflows	<u>1,445,802</u>	<u>830,655</u>
Net position:		
Net investment in capital assets	33,414,229	31,937,994
Restricted	4,806,294	4,188,863
Unrestricted	(6,317,799)	(6,434,705)
Total net position	<u>\$ 31,902,724</u>	<u>\$ 29,692,152</u>

At the end of the current fiscal year the District reported positive balances in two categories of net position. Unrestricted net position, which is normally used to meet the District's mission, reported a deficit of \$6.3 million. The deficit is due to the District's proportionate share of the state pension plan's unfunded liability. The same situation held true for the prior fiscal year.

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

- The principal retirement of \$2.5 million of bonds and financed purchases payable.
- The increase in accumulated depreciation of \$2.7 million through depreciation expense.
- The decrease of \$699,453 in pension liabilities.

Blue Ridge Unified School District No. 32
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

Government-Wide Financial Analysis

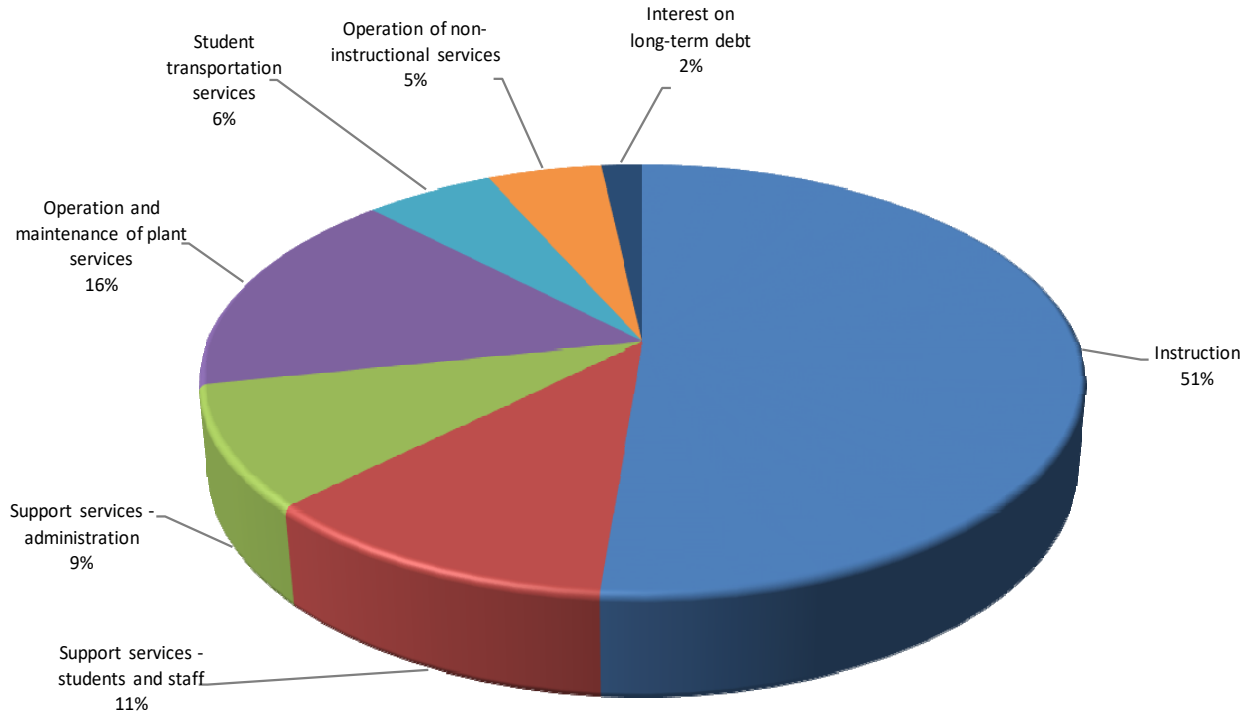
Changes in net position. The District's total revenues for the current fiscal year were \$26.8 million. The total cost of all programs and services was \$24.6 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2024 and June 30, 2023.

	Fiscal Year Ended June 30, 2024	Fiscal Year Ended June 30, 2023, as restated
Revenues:		
Program revenues:		
Charges for services	\$ 1,297,256	\$ 2,170,216
Operating grants and contributions	4,162,765	6,833,830
Capital grants and contributions	1,056,700	1,388,216
General revenues:		
Property taxes	12,818,423	10,994,106
Investment income	266,090	160,773
Unrestricted state aid	6,060,871	5,607,549
Unrestricted federal aid	1,156,579	833,817
Total revenues	26,818,684	27,988,507
Expenses:		
Instruction	12,617,569	12,865,543
Support services - students and staff	2,817,263	3,108,317
Support services - administration	2,241,269	2,295,827
Operation and maintenance of plant services	3,895,915	4,139,771
Student transportation services	1,381,345	1,444,753
Operation of non-instructional services	1,222,915	1,171,216
Interest on long-term debt	431,836	751,959
Total expenses	24,608,112	25,777,386
Changes in net position	2,210,572	2,211,121
Net position, beginning	29,692,152	27,481,031
Net position, ending	\$ 31,902,724	\$ 29,692,152

Blue Ridge Unified School District No. 32
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

Government-Wide Financial Analysis

Expenses - Fiscal Year 2024



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

- Property taxes increased \$1.8 million due to an increase in property taxes levied in the current fiscal year.
- Operating grants and contributions decreased \$2.7 million primarily due to the completion of some grants received in response to COVID-19.

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.

Blue Ridge Unified School District No. 32
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, As restated	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 12,617,569	\$ (8,830,553)	\$ 12,865,543	\$ (5,943,332)
Support services - students and staff	2,817,263	(2,247,888)	3,108,317	(2,074,284)
Support services - administration	2,241,269	(2,179,171)	2,295,827	(2,146,030)
Operation and maintenance of plant services	3,895,915	(2,939,806)	4,139,771	(2,927,321)
Student transportation services	1,381,345	(1,381,345)	1,444,753	(1,444,753)
Operation of non-instructional services	1,222,915	(80,792)	1,171,216	(97,445)
Interest on long-term debt	431,836	(431,836)	751,959	(751,959)
Total	<u>\$ 24,608,112</u>	<u>\$ (18,091,391)</u>	<u>\$ 25,777,386</u>	<u>\$ (15,385,124)</u>

- The cost of all governmental activities this year was \$24.6 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$6.5 million.
- Net cost of governmental activities of \$18.1 million was financed by general revenues, which are made up of primarily property taxes of \$12.8 million, state aid of \$6.1 million, and unrestricted federal aid of \$1.2 million. Investment earnings accounted for \$266,090 of funding.

Financial Analysis of the District's Funds

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

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$9.6 million, an increase of \$2.0 million.

Blue Ridge Unified School District No. 32
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

Financial Analysis of the District's Funds

The General Fund comprises 81 percent of the total fund balance. Approximately \$7.7 million, or 99 percent of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District. The increase in fund balance of \$1.2 million to \$7.8 million as of fiscal year end was primarily a result of an increase in the property tax levied in the fiscal year.

The Federal and State Grants Fund's fund balance increased from a deficit balance of \$2.5 million to a deficit balance of \$2.2 million primarily due to pending grant reimbursements.

The Debt Service Fund's fund balance increased from \$434,213 to \$855,349 primarily due to an increase in the secondary property tax rate.

Budgetary Highlights

Over the course of the year, the District revised the General Fund annual expenditure budget to recognize the carryover that was not included in the adopted budget. The difference between the original budget and the final amended budget was a \$1.4 million increase, or approximately 11 percent, as a result of adding the carryover to the final budget.

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

- The favorable variance of \$1.3 million in instruction expenditures primarily as a result of funding provided by COVID-19 relief funds which allowed the District to allocate payroll expenditures out of the General Fund.
- The favorable variance of \$241,240 in operation and maintenance of plant services was a result of due to additional funding the District received.

Blue Ridge Unified School District No. 32
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 \$102.5 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$1.5 million from the prior fiscal year, primarily due to purchases of vehicles, furniture, equipment, and completion of construction projects for land and building improvements. Construction in progress at the end of the year totaled \$1.6 million. Total depreciation expense for the current fiscal year was \$2.7 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	\$ 2,416,908	\$ 2,434,470
Capital assets - depreciable, net	44,982,042	46,219,162
Total	\$ 47,398,950	\$ 48,653,632

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

Debt Administration. At year end, the District had \$14.0 million in long-term debt outstanding, \$2.6 million due within one year.

The District’s general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 30 percent of the total net full cash assessed valuation) and the statutory debt limit on Class B bonds (the greater of 20 percent of the net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$134.3 million and the Class B debt limit is \$89.5 million, which are more than the District’s total outstanding general obligation and Class B debt, respectively.

Additional information on the District’s long-term debt can be found in Notes 9 through 11.

Economic Factors and Next Year’s Budget and Rates

Many factors were considered by the District’s administration during the process of developing the fiscal year 2024-25 budget. Among them:

- District student population (estimated 1,635).
- Employee salaries (estimated \$9.4 million).

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

Blue Ridge Unified School District No. 32
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2024

Economic Factors and Next Year's Budget and Rates

Budgeted expenditures in the General Fund decreased 18 percent to \$12.0 million in fiscal year 2024-25. The carryover not being calculated at the time of the adoption of the budget is the primary reason for the decrease. 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, Blue Ridge Unified School District No. 32, 1200 West White Mountain Boulevard, Lakeside, Arizona, 85929.

Basic Financial Statements

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Government-Wide Financial Statements

Blue Ridge Unified School District No. 32
Statement of Net Position
June 30, 2024

	Governmental Activities
Assets	
Current assets:	
Cash and investments	\$ 9,272,772
Property taxes receivable	334,704
Due from governmental entities	2,758,669
Leases receivable	383,807
Total current assets	12,749,952
Noncurrent assets:	
Net other postemployment benefit plan assets	470,817
Capital assets not being depreciated	2,416,908
Capital assets, net accumulated depreciation	44,982,042
Total noncurrent assets	47,869,767
Total assets	60,619,719
 Deferred outflows of resources	
Deferred charge on refunding	26,901
Pension plan items	1,836,080
Other postemployment benefit plan items	36,569
Total deferred outflows of resources	1,899,550
 Liabilities	
Current liabilities:	
Accounts payable	229,440
Accrued payroll and employee benefits	50,670
Compensated absences payable	140,201
Financed purchases payable	208,685
Bonds payable	2,390,000
Total current liabilities	3,018,996
Noncurrent liabilities:	
Non-current portion of long-term obligations	26,151,747
Total noncurrent liabilities	26,151,747
Total liabilities	29,170,743
 Deferred inflows of resources	
Pension plan items	871,619
Other postemployment benefit plan items	206,932
Leases	367,251
Total deferred inflows of resources	1,445,802
 Net position	
Net investment in capital assets	33,414,229
Restricted for:	
Instruction	2,067,017
Food service	620,822
Non-instructional purposes	371,856
Debt service	911,032
Capital outlay	364,750
Other postemployment benefit plan assets	470,817
Unrestricted	(6,317,799)
Total net position	\$ 31,902,724

Blue Ridge Unified School District No. 32
Statement of Activities
For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenue			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and
					Changes in Net
					Position
					Governmental
					Activities
Governmental activities					
Instruction	\$ 12,617,569	\$ 986,380	\$ 2,626,376	\$ 174,260	\$ (8,830,553)
Support services - students and staff	2,817,263		569,375		(2,247,888)
Support services - administration	2,241,269		62,098		(2,179,171)
Operation and maintenance of plant services	3,895,915	73,669		882,440	(2,939,806)
Student transportation services	1,381,345				(1,381,345)
Operation of non-instructional services	1,222,915	237,207	904,916		(80,792)
Interest on long-term debt	431,836				(431,836)
Total governmental activities	<u>\$ 24,608,112</u>	<u>\$ 1,297,256</u>	<u>\$ 4,162,765</u>	<u>\$ 1,056,700</u>	<u>(18,091,391)</u>
General revenues					
Property taxes					12,818,423
Investment income					266,090
Unrestricted state aid					6,060,871
Unrestricted federal aid					1,156,579
Total general revenues					<u>20,301,963</u>
Changes in net position					2,210,572
Net position, beginning of year, previously reported					29,395,301
Adjustments to beginning net position					296,851
Net position, beginning of year, as restated					<u>29,692,152</u>
Net position, end of year					<u>\$ 31,902,724</u>

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Fund Financial Statements

Blue Ridge Unified School District No. 32
Balance Sheet
Governmental Funds
June 30, 2024

	Federal and State			Non-Major
	General	Grants	Debt Service	Governmental Funds
Assets				
Cash and investments	\$ 5,358,651	\$	\$ 826,538	\$ 3,087,583
Property taxes receivable	250,210		84,494	
Due from governmental entities	41,439	2,330,569		386,661
Due from other funds	2,432,402			
Leases receivable	261,043			122,764
Total assets	<u>\$ 8,343,745</u>	<u>\$ 2,330,569</u>	<u>\$ 911,032</u>	<u>\$ 3,597,008</u>
Liabilities				
Accounts payable	\$ 107,340	\$	\$	\$ 122,100
Due to other funds		2,320,919		111,483
Accrued payroll and employee benefits	50,670			
Total liabilities	<u>158,010</u>	<u>2,320,919</u>		<u>233,583</u>
Deferred inflows of resources				
Unavailable revenues - property taxes	165,973		55,683	
Unavailable revenues - intergovernmental		2,243,630		21,343
Leases	268,746			98,505
Total deferred inflows of resources	<u>434,719</u>	<u>2,243,630</u>	<u>55,683</u>	<u>119,848</u>
Fund balances				
Restricted	78,761		855,349	3,367,689
Unassigned	7,672,255	(2,233,980)		(124,112)
Total fund balances	<u>7,751,016</u>	<u>(2,233,980)</u>	<u>855,349</u>	<u>3,243,577</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 8,343,745</u>	<u>\$ 2,330,569</u>	<u>\$ 911,032</u>	<u>\$ 3,597,008</u>

**Total
Governmental
Funds**

\$ 9,272,772
334,704
2,758,669
2,432,402
383,807
\$ 15,182,354

\$ 229,440
2,432,402
50,670
2,712,512

221,656
2,264,973
367,251
2,853,880

4,301,799
5,314,163
9,615,962

\$ 15,182,354

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Blue Ridge Unified School District No. 32
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2024

Total fund balances - governmental funds **\$ 9,615,962**

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	\$ 102,480,078	
Less accumulated depreciation/amortization	<u>(55,081,128)</u>	
		47,398,950

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

Property taxes	221,656	
Intergovernmental	<u>2,264,973</u>	
		2,486,629

Deferred items related to the refunding of bonds are amortized over the life of the associated bond issue in the government-wide statements but not reported in the funds.

26,901

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

Deferred outflows of resources related to pensions and OPEB	1,872,649	
Deferred inflows of resources related to pensions and OPEB	<u>(1,078,551)</u>	
		794,098

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

Compensated absences payable	(301,855)	
Financed purchases payable	(1,317,649)	
OPEB net assets	470,817	
Bonds payable	(12,725,628)	
Net pension liability	<u>(14,545,501)</u>	
		<u>(28,419,816)</u>

Net position of governmental activities **\$ 31,902,724**

Blue Ridge Unified School District No. 32
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2024

	Federal and State			Non-Major
	General	Grants	Debt Service	Governmental Funds
Revenues				
Other local	\$ 860,199	\$	\$ 65,441	\$ 1,116,909
Property taxes	9,512,069		3,274,970	35
State aid and grants	4,325,403	90,879		2,597,516
Federal aid, grants and reimbursements	<u>1,198,017</u>	<u>3,903,871</u>		<u>904,916</u>
Total revenues	<u>15,895,688</u>	<u>3,994,750</u>	<u>3,340,411</u>	<u>4,619,376</u>
Expenditures				
Current:				
Instruction	6,521,927	2,615,606		1,825,166
Support services - students and staff	1,731,134	837,674		189,076
Support services - administration	2,055,684	80,181		484
Operation and maintenance of plant services	2,783,972	17,892		2,440
Student transportation services	1,077,036			1,523
Operation of non-instructional services	55,873			1,129,607
Capital outlay	342,668	34,914		1,435,311
Debt service:				
Principal retirement			2,305,000	196,130
Interest and fiscal charges			614,275	47,348
Total expenditures	<u>14,568,294</u>	<u>3,586,267</u>	<u>2,919,275</u>	<u>4,827,085</u>
Excess (deficiency) of revenues over expenditures	<u>1,327,394</u>	<u>408,483</u>	<u>421,136</u>	<u>(207,709)</u>
Other financing sources (uses)				
Transfers in	113,371			243,190
Transfers out	(243,190)	(95,494)		(17,877)
Insurance recoveries	10,052			
Total other financing sources (uses)	<u>(119,767)</u>	<u>(95,494)</u>		<u>225,313</u>
Changes in fund balances	<u>1,207,627</u>	<u>312,989</u>	<u>421,136</u>	<u>17,604</u>
Fund balances, beginning of year, previously reported	6,770,553	(2,774,133)	434,213	2,929,122
Adjustments to beginning fund balances	(227,164)	227,164		296,851
Fund balances, beginning of year, as restated	<u>6,543,389</u>	<u>(2,546,969)</u>	<u>434,213</u>	<u>3,225,973</u>
Fund balances, end of year	<u>\$ 7,751,016</u>	<u>\$ (2,233,980)</u>	<u>\$ 855,349</u>	<u>\$ 3,243,577</u>

**Total
Governmental
Funds**

\$ 2,042,549
12,787,074
7,013,798
6,006,804
27,850,225

10,962,699
2,757,884
2,136,349
2,804,304
1,078,559
1,185,480
1,812,893

2,501,130
661,623
25,900,921

1,949,304

356,561
(356,561)
10,052
10,052

1,959,356

7,359,755
296,851
7,656,606

\$ 9,615,962

Blue Ridge Unified School District No. 32
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 **\$ 1,959,356**

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	\$ 1,450,175	
Less current year depreciation	<u>(2,704,857)</u>	
		(1,254,682)

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

Property taxes	31,349	
Intergovernmental	<u>(1,072,942)</u>	
		(1,041,593)

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

Financed purchase principal retirement	196,130	
Bond principal retirement	<u>2,305,000</u>	
		2,501,130

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

Current year pension and OPEB contributions	1,408,442	
Pension and OPEB expense	<u>(1,573,894)</u>	
		(165,452)

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

Deferred bond items on issuance of refunding debt	(26,906)	
Amortization of deferred bond items	256,693	
Compensated absences	<u>(17,974)</u>	
		<u>211,813</u>

Changes in net position in governmental activities **\$ 2,210,572**

Blue Ridge Unified School District No. 32
Notes to Financial Statements
June 30, 2024

Note 1 – Summary of Significant Accounting Policies

The financial statements of the Blue Ridge Unified School District No. 32 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

A. Reporting Entity

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

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

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

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

The District's major operations include education, student transportation, construction and maintenance of District facilities, food services, bookstore and athletic functions.

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.

Blue Ridge Unified School District No. 32
Notes to Financial Statements
June 30, 2024

Note 1 – Summary of Significant Accounting Policies

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

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

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

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

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. 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.

Blue Ridge Unified School District No. 32
Notes to Financial Statements
June 30, 2024

Note 1 – Summary of Significant Accounting Policies

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

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

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

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

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

D. Cash and Investments

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

Blue Ridge Unified School District No. 32
Notes to Financial Statements
June 30, 2024

Note 1 – Summary of Significant Accounting Policies

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

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

Statute does not include any requirements for credit risk, concentration of credit risk, interest rate risk, or foreign currency risk. Arizona statute requires a pooled collateral program for public deposits and a Statewide Collateral Pool Administrator (Administrator) in the State Treasurer’s Office. The purpose of the pooled collateral program is to ensure that governmental entities’ public deposits placed in participating depositories are secured with collateral of 102 percent of the public deposits, less any applicable 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.

Blue Ridge Unified School District No. 32
Notes to Financial Statements
June 30, 2024

Note 1 – Summary of Significant Accounting Policies

G. Property Tax Calendar

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

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

H. Prepaid Items

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

I. Capital Assets

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

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

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

Capital assets are depreciated using the straight-line method over the 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	15 – 25 years
Buildings and improvements	10 – 75 years
Vehicles, furniture and equipment	5 – 20 years

Blue Ridge Unified School District No. 32
Notes to Financial Statements
June 30, 2024

Note 1 – Summary of Significant Accounting Policies

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position may report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net 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.

K. Compensated Absences

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

L. Leases

As lessor, the District recognizes lease receivables with an initial, individual value of \$13,000 or more. If there is no stated rate in the lease contract (or if the stated rate is not the rate the District charges the lessee) and the implicit rate cannot be determined, the District uses an interest rate based on the Applicable Federal Rate as the discount to measure lease receivables.

M. Pensions and Other Post Employment Benefits

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.

Blue Ridge Unified School District No. 32
Notes to Financial Statements
June 30, 2024

Note 1 – Summary of Significant Accounting Policies

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

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.

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.

P. Net Position Flow Assumption

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

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.

Blue Ridge Unified School District No. 32
Notes to Financial Statements
June 30, 2024

Note 2 – Fund Balance Classifications

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

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

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

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

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

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

Blue Ridge Unified School District No. 32
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 Grants	Debt Service	Non-Major Governmental Funds
Fund Balances:				
Debt service	\$	\$	\$ 855,349	\$
Capital projects				364,750
Bond building projects				31,655
Voter approved initiatives				1,093,447
Food service				620,822
Civic center				253,279
Community schools				35,683
Extracurricular activities				359,936
Insurance proceeds	58,367			
Insurance refund	20,394			
Student activities				407,238
Other purposes				200,879
Unassigned	7,672,255	(2,233,980)		(124,112)
Total fund balances	<u>\$ 7,751,016</u>	<u>\$ (2,233,980)</u>	<u>\$ 855,349</u>	<u>\$ 3,243,577</u>

Note 3 – Stewardship, Compliance and Accountability

Individual Deficit Fund Balances –At year end, the Federal and State Grants Fund and the Other Capital Projects Fund, a non-major governmental fund, reported deficits of \$2,233,980 and \$124,112 in fund balance, respectively. The deficits arose because of operations during both the current and prior fiscal years because of pending grant reimbursements. Additional revenues received in future fiscal years are expected to eliminate the deficits.

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

Blue Ridge Unified School District No. 32
Notes to Financial Statements
June 30, 2024

Note 4 – Cash and Investments

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure the District’s deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District’s deposits was \$1,224,258 and the bank balance was \$1,352,366. At year end, \$852,366 of the District’s deposits were covered by collateral held by the pledging financial institution’s trust department or agent but not in the District’s name.

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

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

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

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

Investment Type	Category	Fair Value	Investment Maturities (in Years) <hr style="width: 100%; border: 0.5px solid black;"/>
County Treasurer’s investment pool	Not applicable	8,048,514	Less than 1 0.8383 years

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 investments in the County Treasurer’s investment pool represent a proportionate interest in the pool’s portfolio; however, the District’s portion is not identified with specific investments and is not subject to custodial credit risk.

Blue Ridge Unified School District No. 32
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 Grants	Non-Major Governmental Funds
Due from other governmental entities:			
Due from federal government	\$ 41,439	\$ 2,320,705	\$ 173,854
Due from state government		9,864	97,757
Due from other districts			115,050
Net due from governmental entities	\$ 41,439	\$ 2,330,569	\$ 386,661

Note 6 – Leases Receivable

The District acts as a lessor for various land agreements under the provisions of contracts classified as leases. The related receivables under the lease agreements have been recorded at the present value of their future minimum lease payments as of the inception date. Lease revenue of \$67,705 and related interest revenue of \$1,082 are recorded as other local revenue in the General Fund and the Other Special Revenue Fund, a non-major governmental fund.

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

Year Ending June 30:	
2025	\$ 69,255
2026	50,635
2027	40,658
2028	10,523
2029	10,628
2030-34	54,753
2035-39	57,547
2040-44	60,483
4045-47	37,761
Total	\$ 392,243

Blue Ridge Unified School District No. 32
Notes to Financial Statements
June 30, 2024

Note 7 – Capital Assets

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

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 799,520	\$	\$	\$ 799,520
Construction in progress	<u>1,634,950</u>	<u>264,466</u>	<u>282,028</u>	<u>1,617,388</u>
Total capital assets, not being depreciated	<u>2,434,470</u>	<u>264,466</u>	<u>282,028</u>	<u>2,416,908</u>
Capital assets, being depreciated:				
Land improvements	4,793,898	482,601		5,276,499
Buildings and improvements	85,803,587	780,405		86,583,992
Vehicles, furniture and equipment	<u>7,997,948</u>	<u>204,731</u>		<u>8,202,679</u>
Total capital assets being depreciated	<u>98,595,433</u>	<u>1,467,737</u>		<u>100,063,170</u>
Less accumulated depreciation for:				
Land improvements	(3,151,543)	(162,971)		(3,314,514)
Buildings and improvements	(43,759,546)	(2,207,835)		(45,967,381)
Vehicles, furniture and equipment	<u>(5,465,182)</u>	<u>(334,051)</u>		<u>(5,799,233)</u>
Total accumulated depreciation	<u>(52,376,271)</u>	<u>(2,704,857)</u>		<u>(55,081,128)</u>
Total capital assets, being depreciated, net	<u>46,219,162</u>	<u>(1,237,120)</u>		<u>44,982,042</u>
Governmental activities capital assets, net	<u>\$ 48,653,632</u>	<u>\$ (972,654)</u>	<u>\$ 282,028</u>	<u>\$ 47,398,950</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 1,377,038
Support services – students and staff	15,987
Support services – administration	11,513
Operation and maintenance of plant services	1,060,329
Student transportation services	212,560
Operation of non-instructional services	<u>27,430</u>
Total depreciation expense – governmental activities	<u>\$ 2,704,857</u>

Construction Commitments – At year end, the District had contractual commitments related to various capital projects for the construction of weatherization, roof, and floor renovations. At year end, the District had spent \$1.6 million on the projects and had estimated remaining contractual commitments of \$187,060. These projects are being funded from the General Fund revenues and funding from the School Facilities Board.

Note 8 – Short Term Debt – Revolving Line of Credit

The District has a revolving line of credit to provide cash flow during the year to mitigate the impact of timing differences of expenditures and the receipt of state aid and property tax revenues. At year end, the District has \$600,000 in unused line of credit.

Blue Ridge Unified School District No. 32
Notes to Financial Statements
June 30, 2024

Note 9 – Financed Purchases Payable

The District has acquired energy savings retrofits under the provisions of contracts classified as financed purchases payable. Revenues from the General Fund are transferred to the Other Capital Projects Fund, a non-major fund, to pay the debt obligations when due. The District receives a federal interest subsidy to fund the interest payments for the District-wide energy project.

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

Year ending June 30:	Governmental Activities	
	Principal	Interest
2025	\$ 208,685	\$ 40,913
2026	221,794	34,068
2027	235,479	26,795
2028	249,763	19,075
2029	264,667	10,889
2030	137,261	2,217
Total	\$ 1,317,649	\$ 133,957

Note 10 – General Obligation Bonds Payable

Bonds payable at year end consisted of the following outstanding general obligation bonds. The bonds are callable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt. The District’s legal debt limit is \$134.3 million, and the available margin is \$121.6 million.

Purpose	Original Amount Issued	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2024	Due Within One Year
Governmental activities:					
SIB Series 2017	\$ 13,920,000	3.625-5.00%	7/1/25-36	\$ 9,575,000	\$ 240,000
Refunding Bond, Series 2021	8,100,000	4.00%	7/1/2025	2,150,000	2,150,000
Total				\$ 11,725,000	\$ 2,390,000

Blue Ridge Unified School District No. 32
Notes to Financial Statements
June 30, 2024

Note 10 – General Obligation Bonds Payable

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

Year ending June 30:	Governmental Activities	
	Principal	Interest
2025	\$ 2,390,000	\$ 518,926
2026	1,190,000	420,926
2027	1,245,000	361,426
2028	1,310,000	299,176
2029	1,375,000	233,676
2030-34	3,035,000	581,830
2035-36	1,180,000	66,026
Total	<u>\$ 11,725,000</u>	<u>\$ 2,481,986</u>

Note 11 – Changes in Long-Term Liabilities

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 14,030,000	\$	\$ 2,305,000	\$ 11,725,000	\$ 2,390,000
Premium	1,257,321		256,693	1,000,628	
Total bonds payable	<u>15,287,321</u>		<u>2,561,693</u>	<u>12,725,628</u>	<u>2,390,000</u>
Financed purchases payable	1,513,779		196,130	1,317,649	208,685
Net pension liability	15,244,954		699,453	14,545,501	
Compensated absences payable	283,881	207,073	189,099	301,855	140,201
Total long-term liabilities	<u>\$ 32,329,935</u>	<u>\$ 207,073</u>	<u>\$ 3,646,375</u>	<u>\$ 28,890,633</u>	<u>\$ 2,738,886</u>

Note 12 – 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 Grants Fund, a major governmental fund, and several non-major governmental funds had negative cash balances of \$2,320,919 and \$111,483, respectively, in the Treasurer’s pooled cash accounts. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with the General Fund. All interfund balances are expected to be paid within one year.

Blue Ridge Unified School District No. 32
Notes to Financial Statements
June 30, 2024

Note 12 – Interfund Receivables, Payables, and Transfers

Interfund transfers:

Transfers out	Transfers in		
	General	Non-Major Governmental Funds	Total
General	\$	\$ 243,190	\$ 243,190
Federal and State Grants	95,494		95,494
Non-Major Governmental Funds	17,877		17,877
Total	\$ 113,371	\$ 243,190	\$ 356,561

Transfers between funds were used to (1) transfer energy savings from the General Fund to the Energy and Water Savings Fund, a non-major governmental fund, as allowed by statute, and (2) to move federal grant funds restricted for indirect costs.

Note 13 – Contingent Liabilities

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

Note 14 – Restatements of Beginning Balances

Correction of an Error – – Prior year fund balances for the General Fund and Federal and State Grants Fund were not correctly reported in the prior fiscal year in the amount of \$227,164 resulting in net governmental restatement of zero. Additionally, a cash account with the County Treasurer for Student Activities in the Other Special Revenue Fund, a non major fund in the amount of \$137,082 was not reported in fiscal year 2023. Finally, a revenue related to CTED programs in the amount of \$159,769 in the Other Special Revenue Fund, a non major fund was not accrued back to fiscal year 2023.

Blue Ridge Unified School District No. 32
Notes to Financial Statements
June 30, 2024

Note 14 – Restatements of Beginning Balances

The effect of the matters noted above resulted in adjustments to and restatements of beginning fund balance and beginning net position, as follows:

	June 30, 2023, As Previously Reported	Correction of an Error	June 30, 2023, As Restated
Government-Wide			
Governmental activities	\$ 29,395,301	\$ 296,851	\$ 29,692,152
Governmental Funds			
Major Funds:			
General Fund	6,770,553	(227,164)	6,543,389
Federal and State Grants Fund	(2,774,133)	227,164	(2,546,969)
Debt Service Fund	434,213		434,213
Nonmajor Funds	<u>2,929,122</u>	<u>296,851</u>	<u>3,225,973</u>
Total Governmental Funds	<u>\$ 7,359,755</u>	<u>\$ 296,851</u>	<u>\$ 7,656,606</u>

Note 15 – 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.

Blue Ridge Unified School District No. 32
Notes to Financial Statements
June 30, 2024

Note 15 – Risk Management

The District’s employees have health and accident insurance coverage with Kairos Health Arizona, Inc. Kairos 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 Kairos for employees’ health and accident insurance coverage. The agreement provides that Kairos will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts.

Note 16 – Pensions

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

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	

Blue Ridge Unified School District No. 32
Notes to Financial Statements
June 30, 2024

Note 16 – Pensions

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 \$1,395,680.

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.

Blue Ridge Unified School District No. 32
Notes to Financial Statements
June 30, 2024

Note 16 – Pensions

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)
\$ 14,545,501	0.090	(0.003)

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 \$1,861,586.

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	\$ 328,670	\$
Net difference between projected and actual earnings on pension investments		514,632
Changes in proportion and differences between contributions and proportionate share of contributions	111,730	356,987
Contributions subsequent to the measurement date	1,395,680	
Total	\$ 1,836,080	\$ 871,619

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	\$ (160,745)
2026	(761,145)
2027	554,622
2028	(63,951)

Blue Ridge Unified School District No. 32
Notes to Financial Statements
June 30, 2024

Note 16 – Pensions

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 bonds	6%	1.50
Private equity	10%	6.70
Real estate	17%	5.90
Total	100%	

Blue Ridge Unified School District No. 32
Notes to Financial Statements
June 30, 2024

Note 16 – Pensions

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:

	1% Decrease	Current	1% Increase
Rate	6.0%	7.0%	8.0%
Net liability	\$ 21,787,024	\$ 14,545,501	\$ 8,507,352

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

Blue Ridge Unified School District No. 32
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 Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Other local	\$	\$	\$ 470,171	\$ 470,171
Property taxes			8,832,758	8,832,758
State aid and grants			3,810,176	3,810,176
Total revenues			<u>13,113,105</u>	<u>13,113,105</u>
Expenditures				
Current:				
Instruction	6,011,712	7,457,999	6,119,792	1,338,207
Support services - students and staff	1,449,834	1,449,834	1,290,074	159,760
Support services - administration	1,779,476	1,779,476	1,772,845	6,631
Operation and maintenance of plant services	2,954,615	2,954,615	2,713,375	241,240
Student transportation services	884,104	884,104	1,073,372	(189,268)
Operation of non-instructional services	46,953	46,953	40,731	6,222
Total expenditures	<u>13,126,694</u>	<u>14,572,981</u>	<u>13,010,189</u>	<u>1,562,792</u>
Excess (deficiency) of revenues over expenditures	<u>(13,126,694)</u>	<u>(14,572,981)</u>	<u>102,916</u>	<u>14,675,897</u>
Other financing sources (uses)				
Transfers out			(243,190)	(243,190)
Total other financing sources (uses)			<u>(243,190)</u>	<u>(243,190)</u>
Changes in fund balances	<u>(13,126,694)</u>	<u>(14,572,981)</u>	<u>(140,274)</u>	<u>14,432,707</u>
Fund balances, beginning of year			<u>2,748,413</u>	<u>2,748,413</u>
Fund balances, end of year	<u>\$ (13,126,694)</u>	<u>\$ (14,572,981)</u>	<u>\$ 2,608,139</u>	<u>\$ 17,181,120</u>

Blue Ridge Unified School District No. 32
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>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
State aid and grants	\$	\$	\$ 90,879	\$ 90,879
Federal aid, grants and reimbursements			3,903,871	3,903,871
Total revenues			<u>3,994,750</u>	<u>3,994,750</u>
Expenditures				
Current:				
Instruction	2,953,260	3,430,773	2,615,606	815,167
Support services - students and staff	945,811	1,098,740	837,674	261,066
Support services - administration	90,532	105,170	80,181	24,989
Operation and maintenance of plant services	20,202	23,468	17,892	5,576
Capital outlay	39,421	45,795	34,914	10,881
Total expenditures	<u>4,049,225</u>	<u>4,703,946</u>	<u>3,586,267</u>	<u>1,117,679</u>
Excess (deficiency) of revenues over expenditures	<u>(4,049,225)</u>	<u>(4,703,946)</u>	<u>408,483</u>	<u>5,112,429</u>
Other financing sources (uses)				
Transfers out			(95,494)	(95,494)
Total other financing sources (uses)			<u>(95,494)</u>	<u>(95,494)</u>
Changes in fund balances	<u>(4,049,225)</u>	<u>(4,703,946)</u>	<u>312,989</u>	<u>5,016,935</u>
Fund balances, beginning of year, previously reported			(2,774,133)	(2,774,133)
Adjustments to beginning fund balances			227,164	227,164
Fund balances, beginning of year, as restated			<u>(2,546,969)</u>	<u>(2,546,969)</u>
Fund balances, end of year	<u>\$ (4,049,225)</u>	<u>\$ (4,703,946)</u>	<u>\$ (2,233,980)</u>	<u>\$ 2,469,966</u>

Blue Ridge Unified School District No. 32
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	0.09%	0.09%	0.09%	0.09%
District's proportionate share of the net pension (assets) liability	\$ 14,545,501	\$ 15,244,954	\$ 11,963,566	\$ 15,734,213
District's covered payroll	\$ 11,727,450	\$ 11,091,782	\$ 10,202,798	\$ 9,912,009
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	124.03%	137.44%	117.26%	158.74%
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	\$ 1,395,680	\$ 1,397,912	\$ 1,332,123	\$ 1,188,626
Contributions in relation to the actuarially determined contribution	<u>1,395,680</u>	<u>1,397,912</u>	<u>1,332,123</u>	<u>1,188,626</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 11,601,663	\$ 11,727,450	\$ 11,091,782	\$ 10,202,798
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
0.10%	0.10%	0.10%	0.09%	0.09%	0.09%
\$ 14,020,046	\$ 13,735,889	\$ 15,035,935	\$ 14,622,136	\$ 13,335,569	\$ 13,893,380
\$ 10,128,148	\$ 9,807,193	\$ 9,045,371	\$ 8,094,258	\$ 7,360,073	\$ 8,275,299
138.43%	140.06%	166.23%	180.65%	181.19%	167.89%
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>
\$ 1,134,925	\$ 1,132,327	\$ 1,068,984	\$ 975,091	\$ 878,227	\$ 801,511
<u>1,134,925</u>	<u>1,132,327</u>	<u>1,068,984</u>	<u>975,091</u>	<u>878,227</u>	<u>801,511</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
\$ 9,912,009	\$ 10,128,148	\$ 9,807,193	\$ 9,045,371	\$ 8,094,258	\$ 7,360,073
11.45%	11.18%	10.90%	10.78%	10.85%	10.89%

Blue Ridge Unified School District No. 32
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.

- The General Fund includes the Maintenance and Operations Fund and other funds that do not meet the criteria for separate reporting in the financial statements, and which do not have legally adopted budgets. Arizona Revised Statutes requires a Maintenance and Operations Fund budget, and therefore these other funds must be subtracted to present only the activity of the Maintenance and Operations Fund.

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

	Total Expenditures	Fund Balances End of Year
Statement of Revenues, Expenditures and Changes in		
Fund Balances - Governmental Funds	\$ 14,568,294	\$ 7,751,016
Activity budgeted as other fund types	(1,558,105)	(5,142,877)
Schedule of Revenue, Expenditures and Changes in		
Fund Balances – Budget and Actual - General Fund	\$ 13,010,189	\$ 2,608,139

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.

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

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

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, and student activities.

Capital Projects Funds

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

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

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

Blue Ridge Unified School District No. 32
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2024

Special Revenue Funds

	Classroom Site	Instructional Improvement	Food Service	Other Special Revenue
Assets				
Cash and investments	\$ 945,016	\$ 89,283	\$ 539,173	\$ 1,117,706
Due from governmental entities		59,148	173,854	115,050
Leases receivable				122,764
Total assets	<u>\$ 945,016</u>	<u>\$ 148,431</u>	<u>\$ 713,027</u>	<u>\$ 1,355,520</u>
Liabilities				
Accounts payable	\$	\$	\$ 92,205	\$
Due to other funds				
Total liabilities			<u>92,205</u>	
Deferred inflows of resources				
Unavailable revenues - intergovernmental				
Leases				98,505
Total deferred inflows of resources				<u>98,505</u>
Fund balances				
Restricted	945,016	148,431	620,822	1,257,015
Unassigned				
Total fund balances	<u>945,016</u>	<u>148,431</u>	<u>620,822</u>	<u>1,257,015</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 945,016</u>	<u>\$ 148,431</u>	<u>\$ 713,027</u>	<u>\$ 1,355,520</u>

Capital Projects Funds

Capital Projects Funds			Total Non-Major
Adjacent Ways	Bond Building	Other Capital Projects	Governmental Funds
\$ 364,750	\$ 31,655	\$ 38,609	\$ 3,087,583
			386,661
			122,764
<u>\$ 364,750</u>	<u>\$ 31,655</u>	<u>\$ 38,609</u>	<u>\$ 3,597,008</u>
\$	\$	\$ 29,895	\$ 122,100
		111,483	111,483
		<u>141,378</u>	<u>233,583</u>
		21,343	21,343
			98,505
		<u>21,343</u>	<u>119,848</u>
364,750	31,655		3,367,689
		(124,112)	(124,112)
<u>364,750</u>	<u>31,655</u>	<u>(124,112)</u>	<u>3,243,577</u>
<u>\$ 364,750</u>	<u>\$ 31,655</u>	<u>\$ 38,609</u>	<u>\$ 3,597,008</u>

Blue Ridge Unified School District No. 32
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2024

Special Revenue Funds

	Special Revenue Funds			
	Classroom Site	Instructional Improvement	Food Service	Other Special Revenue
Revenues				
Other local	\$ 27,175	\$ 2,948	\$ 250,386	\$ 821,334
Property taxes				
State aid and grants	1,607,715	127,753		951
Federal aid, grants and reimbursements			904,916	
Total revenues	<u>1,634,890</u>	<u>130,701</u>	<u>1,155,302</u>	<u>822,285</u>
Expenditures				
Current:				
Instruction	1,341,188	22,676		461,302
Support services - students and staff	48,388			140,688
Support services - administration				484
Operation and maintenance of plant services				2,440
Student transportation services				1,523
Operation of non-instructional services			1,116,020	13,587
Capital outlay			137,309	2,037
Debt service:				
Principal retirement				
Interest and fiscal charges				
Total expenditures	<u>1,389,576</u>	<u>22,676</u>	<u>1,253,329</u>	<u>622,061</u>
Excess (deficiency) of revenues over expenditures	<u>245,314</u>	<u>108,025</u>	<u>(98,027)</u>	<u>200,224</u>
Other financing sources (uses)				
Transfers in				
Transfers out			(17,877)	
Total other financing sources (uses)			<u>(17,877)</u>	
Changes in fund balances	<u>245,314</u>	<u>108,025</u>	<u>(115,904)</u>	<u>200,224</u>
Fund balances, beginning of year, previously reported	699,702	40,406	736,726	759,940
Adjustments to beginning fund balances				296,851
Fund balances, beginning of year, as restated	<u>699,702</u>	<u>40,406</u>	<u>736,726</u>	<u>1,056,791</u>
Fund balances, end of year	<u>\$ 945,016</u>	<u>\$ 148,431</u>	<u>\$ 620,822</u>	<u>\$ 1,257,015</u>

Capital Projects Funds

Capital Projects Funds			Total Non-Major
Adjacent Ways	Bond Building Fund	Other Capital Projects	Governmental Funds
\$ 15,016	\$	\$ 50	\$ 1,116,909
35			35
		861,097	2,597,516
			904,916
<u>15,051</u>	<u></u>	<u>861,147</u>	<u>4,619,376</u>
			1,825,166
			189,076
			484
			2,440
			1,523
			1,129,607
441,224		854,741	1,435,311
		196,130	196,130
		47,348	47,348
<u>441,224</u>	<u></u>	<u>1,098,219</u>	<u>4,827,085</u>
<u>(426,173)</u>	<u></u>	<u>(237,072)</u>	<u>(207,709)</u>
		243,190	243,190
			(17,877)
		<u>243,190</u>	<u>225,313</u>
<u>(426,173)</u>	<u></u>	<u>6,118</u>	<u>17,604</u>
790,923	31,655	(130,230)	2,929,122
			296,851
<u>790,923</u>	<u>31,655</u>	<u>(130,230)</u>	<u>3,225,973</u>
<u>\$ 364,750</u>	<u>\$ 31,655</u>	<u>\$ (124,112)</u>	<u>\$ 3,243,577</u>

Blue Ridge Unified School District No. 32
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Classroom Site
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	\$	\$	\$ 27,175	\$ 27,175
State aid and grants			1,607,715	1,607,715
Total revenues			<u>1,634,890</u>	<u>1,634,890</u>
Expenditures				
Current:				
Instruction	2,143,091	2,292,321	1,341,188	951,133
Support services - students and staff	10,113	10,113	48,388	(38,275)
Support services - administration	4,760	4,760		4,760
Total expenditures	<u>2,157,964</u>	<u>2,307,194</u>	<u>1,389,576</u>	<u>917,618</u>
Changes in fund balances	<u>(2,157,964)</u>	<u>(2,307,194)</u>	<u>245,314</u>	<u>2,552,508</u>
Fund balances, beginning of year			<u>699,702</u>	<u>699,702</u>
Fund balances, end of year	<u>\$ (2,157,964)</u>	<u>\$ (2,307,194)</u>	<u>\$ 945,016</u>	<u>\$ 3,252,210</u>

Blue Ridge Unified School District No. 32
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Instructional Improvement
For the Year Ended June 30, 2024

	<u>Budget</u>		Variance with Final Budget
	<u>Original and Final</u>	<u>Actual</u>	
Revenues			
Other local	\$	\$ 2,948	\$ 2,948
State aid and grants		<u>127,753</u>	<u>127,753</u>
Total revenues		<u>130,701</u>	<u>130,701</u>
Expenditures			
Current:			
Instruction	<u>42,681</u>	<u>22,676</u>	<u>20,005</u>
Total expenditures	<u>42,681</u>	<u>22,676</u>	<u>20,005</u>
Changes in fund balances	<u>(42,681)</u>	<u>108,025</u>	<u>150,706</u>
Fund balances, beginning of year		<u>40,406</u>	<u>40,406</u>
Fund balances, end of year	<u>\$ (42,681)</u>	<u>\$ 148,431</u>	<u>\$ 191,112</u>

Blue Ridge Unified School District No. 32
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Food Service
For the Year Ended June 30, 2024

	<u>Budget</u>		Variance with Final Budget
	<u>Original and Final</u>	<u>Actual</u>	
Revenues			
Other local	\$	\$ 250,386	\$ 250,386
Federal aid, grants and reimbursements		904,916	904,916
Total revenues		<u>1,155,302</u>	<u>1,155,302</u>
Expenditures			
Current:			
Operation of non-instructional services	1,691,845	1,116,020	575,825
Capital outlay	208,155	137,309	70,846
Total expenditures	<u>1,900,000</u>	<u>1,253,329</u>	<u>646,671</u>
Excess (deficiency) of revenues over expenditures	<u>(1,900,000)</u>	<u>(98,027)</u>	<u>1,801,973</u>
Other financing sources (uses)			
Transfers out		(17,877)	(17,877)
Total other financing sources (uses)		<u>(17,877)</u>	<u>(17,877)</u>
Changes in fund balances	<u>(1,900,000)</u>	<u>(115,904)</u>	<u>1,784,096</u>
Fund balances, beginning of year		<u>736,726</u>	<u>736,726</u>
Fund balances, end of year	<u>\$ (1,900,000)</u>	<u>\$ 620,822</u>	<u>\$ 2,520,822</u>

Blue Ridge Unified School District No. 32
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	\$	\$	\$ 821,334	\$ 821,334
State aid and grants			951	951
Total revenues			<u>822,285</u>	<u>822,285</u>
Expenditures				
Current:				
Instruction	517,092	513,347	461,302	52,045
Support services - students and staff	157,703	156,561	140,688	15,873
Support services - administration	543	539	484	55
Operation and maintenance of plant services	2,735	2,715	2,440	275
Student transportation services	1,707	1,695	1,523	172
Operation of non-instructional services	15,230	15,120	13,587	1,533
Capital outlay	<u>2,283</u>	<u>2,267</u>	<u>2,037</u>	<u>230</u>
Total expenditures	<u>697,293</u>	<u>692,243</u>	<u>622,061</u>	<u>70,182</u>
Changes in fund balances	<u>(697,293)</u>	<u>(692,243)</u>	<u>200,224</u>	<u>892,467</u>
Fund balances, beginning of year, previously reported			759,940	759,940
Adjustments to beginning fund balances			<u>296,851</u>	<u>296,851</u>
Fund balances, beginning of year, as restated			<u>1,056,791</u>	<u>1,056,791</u>
Fund balances, end of year	<u>\$ (697,293)</u>	<u>\$ (692,243)</u>	<u>\$ 1,257,015</u>	<u>\$ 1,949,258</u>

Blue Ridge Unified School District No. 32
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Debt Service
For the Year Ended June 30, 2024

	<u>Budget</u>		Variance with Final Budget
	<u>Original and Final</u>	<u>Actual</u>	
Revenues			
Other local	\$	\$ 65,441	\$ 65,441
Property taxes		3,274,970	3,274,970
Total revenues		<u>3,340,411</u>	<u>3,340,411</u>
Expenditures			
Debt service:			
Principal retirement	2,305,000	2,305,000	
Interest and fiscal charges	<u>613,425</u>	<u>614,275</u>	(850)
Total expenditures	<u>2,918,425</u>	<u>2,919,275</u>	<u>(850)</u>
Changes in fund balances	<u>(2,918,425)</u>	<u>421,136</u>	<u>3,339,561</u>
Fund balances, beginning of year		<u>434,213</u>	<u>434,213</u>
Fund balances, end of year	<u>\$ (2,918,425)</u>	<u>\$ 855,349</u>	<u>\$ 3,773,774</u>

Blue Ridge Unified School District No. 32
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Adjacent Ways
For the Year Ended June 30, 2024

	<u>Budget</u>		Variance with Final Budget
	<u>Original and Final</u>	<u>Actual</u>	
Revenues			
Other local	\$	\$ 15,016	\$ 15,016
Property taxes		35	35
Total revenues		<u>15,051</u>	<u>15,051</u>
Expenditures			
Capital outlay	<u>770,000</u>	<u>441,224</u>	<u>328,776</u>
Total expenditures	<u>770,000</u>	<u>441,224</u>	<u>328,776</u>
Changes in fund balances	<u>(770,000)</u>	<u>(426,173)</u>	<u>343,827</u>
Fund balances, beginning of year		<u>790,923</u>	<u>790,923</u>
Fund balances, end of year	<u>\$ (770,000)</u>	<u>\$ 364,750</u>	<u>\$ 1,134,750</u>

Blue Ridge Unified School District No. 32
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Bond Building
For the Year Ended June 30, 2024

	<u>Budget</u>		Variance with Final Budget
	<u>Original and Final</u>	<u>Actual</u>	
Revenues			
Other local	\$ _____	\$ _____	\$ _____
Total revenues	_____	_____	_____
Expenditures			
Capital outlay	_____	_____	_____
Total expenditures	_____	_____	_____
Changes in fund balances	_____	_____	_____
Fund balances, beginning of year	_____	31,655	31,655
Fund balances, end of year	<u>\$ _____</u>	<u>\$ 31,655</u>	<u>\$ 31,655</u>

Blue Ridge Unified School District No. 32
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 Final Budget
	<u>Original and Final</u>	<u>Actual</u>	
Revenues			
Other local	\$	\$ 50	\$ 50
State aid and grants		<u>861,097</u>	<u>861,097</u>
Total revenues		<u>861,147</u>	<u>861,147</u>
Expenditures			
Capital outlay	475,477	854,741	(379,264)
Debt service:			
Principal retirement	196,130	196,130	
Interest and fiscal charges	<u>47,348</u>	<u>47,348</u>	
Total expenditures	<u>718,955</u>	<u>1,098,219</u>	<u>(379,264)</u>
Excess (deficiency) of revenues over expenditures	<u>(718,955)</u>	<u>(237,072)</u>	<u>481,883</u>
Other financing sources (uses)			
Transfers in		<u>243,190</u>	<u>243,190</u>
Total other financing sources (uses)		<u>243,190</u>	<u>243,190</u>
Changes in fund balances	<u>(718,955)</u>	<u>6,118</u>	<u>725,073</u>
Fund balances, beginning of year		<u>(130,230)</u>	<u>(130,230)</u>
Fund balances, end of year	<u>\$ (718,955)</u>	<u>\$ (124,112)</u>	<u>\$ 594,843</u>

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Statistical Section

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

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Blue Ridge Unified School District No. 32
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	\$ 33,414,229	\$ 31,937,994	\$ 30,877,736	\$ 29,584,899	\$ 29,673,726
Restricted	4,806,294	4,188,863	5,062,928	3,210,315	2,653,448
Unrestricted	<u>(6,317,799)</u>	<u>(6,434,705)</u>	<u>(8,307,697)</u>	<u>(8,880,048)</u>	<u>(9,577,091)</u>
Total net position	<u><u>\$ 31,902,724</u></u>	<u><u>\$ 29,692,152</u></u>	<u><u>\$ 27,632,967</u></u>	<u><u>\$ 23,915,166</u></u>	<u><u>\$ 22,750,083</u></u>
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net Position:					
Net investment in capital assets	\$ 28,761,211	\$ 27,214,069	\$ 26,346,316	\$ 27,112,611	\$ 27,220,271
Restricted	1,954,735	2,379,707	1,402,955	1,990,725	1,143,146
Unrestricted	<u>(10,514,641)</u>	<u>(11,813,605)</u>	<u>(13,587,390)</u>	<u>(14,349,369)</u>	<u>(14,338,212)</u>
Total net position	<u><u>\$ 20,201,305</u></u>	<u><u>\$ 17,780,171</u></u>	<u><u>\$ 14,161,881</u></u>	<u><u>\$ 14,753,967</u></u>	<u><u>\$ 14,025,205</u></u>

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

Blue Ridge Unified School District No. 32
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	\$ 12,617,569	\$ 12,865,543	\$ 12,225,931	\$ 11,646,188	\$ 11,412,603
Support services - students and staff	2,817,263	3,108,317	2,483,900	2,292,135	2,448,686
Support services - administration	2,241,269	2,295,827	2,133,189	2,127,607	2,007,861
Operation and maintenance of plant services	3,895,915	4,139,771	3,820,431	3,690,041	3,646,142
Student transportation services	1,381,345	1,444,753	1,392,022	1,373,435	1,284,418
Operation of non-instructional services	1,222,915	1,171,216	1,220,504	957,361	948,886
Interest on long-term debt	431,836	751,959	731,177	728,626	914,790
Total expenses	<u>24,608,112</u>	<u>25,777,386</u>	<u>24,007,154</u>	<u>22,815,393</u>	<u>22,663,386</u>
Program Revenues					
Charges for services:					
Instruction	986,380	1,851,445	1,194,596	918,975	769,093
Operation of non-instructional services	237,207	272,872	190,149	29,849	124,035
Other activities	73,669	45,899		70,383	340,663
Operating grants and contributions	4,162,765	6,833,830	6,531,124	4,408,795	2,812,722
Capital grants and contributions	1,056,700	1,388,216	529,479	174,654	191,620
Total program revenues	<u>6,516,721</u>	<u>10,392,262</u>	<u>8,445,348</u>	<u>5,602,656</u>	<u>4,238,133</u>
Net (Expense)/Revenue	<u>\$ (18,091,391)</u>	<u>\$ (15,385,124)</u>	<u>\$ (15,561,806)</u>	<u>\$ (17,212,737)</u>	<u>\$ (18,425,253)</u>

(Continued)

Blue Ridge Unified School District No. 32
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	\$ 11,342,036	\$ 10,969,811	\$ 11,023,676	\$ 9,593,252	\$ 9,039,195
Support services - students and staff	2,074,959	2,186,695	2,323,791	1,665,892	1,429,904
Support services - administration	2,360,419	2,627,419	2,106,545	1,664,806	1,853,581
Operation and maintenance of plant services	3,418,989	3,182,029	2,657,052	2,502,888	2,398,323
Student transportation services	1,457,913	1,600,009	1,184,515	1,224,833	1,065,467
Operation of non-instructional services	850,438	883,865	819,480	740,954	675,450
Interest on long-term debt	992,383	1,181,619	650,421	556,344	980,167
Facilities acquisition & construction					
Total expenses	<u>22,497,137</u>	<u>22,631,447</u>	<u>20,765,480</u>	<u>17,948,969</u>	<u>17,442,087</u>
Program Revenues					
Charges for services:					
Instruction	910,846	893,814	1,025,722	1,021,415	1,123,648
Operation of non-instructional services	126,244	139,153	193,658	163,718	135,268
Other activities	273,491	259,386	130,407	106,810	105,107
Operating grants and contributions	1,573,256	2,791,382	1,669,646	1,819,598	1,684,647
Capital grants and contributions	1,591,817	2,277,835	364,919	346,428	330,051
Total program revenues	<u>4,475,654</u>	<u>6,361,570</u>	<u>3,384,352</u>	<u>3,457,969</u>	<u>3,378,721</u>
Net (Expense)/Revenue	<u>\$ (18,021,483)</u>	<u>\$ (16,269,877)</u>	<u>\$ (17,381,128)</u>	<u>\$ (14,491,000)</u>	<u>\$ (14,063,366)</u>

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

(Concluded)

Blue Ridge Unified School District No. 32
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	\$ (18,091,391)	\$ (15,385,124)	\$ (15,561,806)	\$ (17,212,737)	\$ (18,425,253)
General Revenues:					
Property taxes	12,818,423	10,994,106	13,576,048	13,474,714	14,250,405
Investment income	266,090	160,773	28,586	76,465	123,125
Unrestricted county aid			196,824	82,931	122,698
Unrestricted state aid	6,060,871	5,607,549	5,020,422	4,021,350	5,543,726
Unrestricted federal aid	<u>1,156,579</u>	<u>833,817</u>	<u>535,446</u>	<u>801,785</u>	<u>942,052</u>
Total general revenues	<u>20,301,963</u>	<u>17,596,245</u>	<u>19,357,326</u>	<u>18,457,245</u>	<u>20,982,006</u>
Changes in Net Position	<u>\$ 2,210,572</u>	<u>\$ 2,211,121</u>	<u>\$ 3,795,520</u>	<u>\$ 1,244,508</u>	<u>\$ 2,556,753</u>

(Continued)

Blue Ridge Unified School District No. 32
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	\$ (18,021,483)	\$ (16,269,877)	\$ (17,381,128)	\$ (14,491,000)	\$ (14,063,366)
General Revenues:					
Property taxes	13,891,800	13,804,930	11,647,544	10,970,063	10,934,278
Investment income	83,565	59,734	17,067	8,689	9,223
Unrestricted county aid	129,579	133,096	92,433	102,007	136,918
Unrestricted state aid	4,927,099	4,599,953	4,291,643	3,636,319	3,915,714
Unrestricted federal aid	1,410,574	978,589	625,022	502,684	396,628
Total general revenues	<u>20,442,617</u>	<u>19,576,302</u>	<u>16,673,709</u>	<u>15,219,762</u>	<u>15,392,761</u>
Changes in Net Position	<u>\$ 2,421,134</u>	<u>\$ 3,306,425</u>	<u>\$ (707,419)</u>	<u>\$ 728,762</u>	<u>\$ 1,329,395</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)

Blue Ridge Unified School District No. 32
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	\$ 78,761	\$ 95,490	\$ 71,913	\$ 71,913	\$ 65,345
Unassigned	7,672,255	6,447,899	4,885,715	5,086,236	4,418,231
Total General Fund	<u>\$ 7,751,016</u>	<u>\$ 6,543,389</u>	<u>\$ 4,957,628</u>	<u>\$ 5,158,149</u>	<u>\$ 4,483,576</u>
All Other Governmental Funds:					
Nonspendable	\$	\$	\$ 46,587	\$ 28,724	\$ 39,298
Restricted	4,223,038	3,660,186	4,898,994	3,114,650	2,921,012
Unassigned	(2,358,092)	(2,546,969)	(2,682,804)	(560,192)	(426,788)
Total all other governmental funds	<u>\$ 1,864,946</u>	<u>\$ 1,113,217</u>	<u>\$ 2,262,777</u>	<u>\$ 2,583,182</u>	<u>\$ 2,533,522</u>

(Continued)

Blue Ridge Unified School District No. 32
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:					
Restricted	\$ 56,898	\$ 50,898	\$ 45,178	\$	\$
Unassigned	2,961,248	1,952,585	1,235,782	696,388	1,623,803
Total General Fund	<u>\$ 3,018,146</u>	<u>\$ 2,003,483</u>	<u>\$ 1,280,960</u>	<u>\$ 696,388</u>	<u>\$ 1,623,803</u>
All Other Governmental Funds:					
Nonspendable	\$ 30,873	\$ 26,434	\$ 32,105	\$ 25,394	\$
Restricted	2,197,267	2,966,786	9,586,951	1,944,096	1,090,007
Assigned					
Unassigned	(1,083,067)	(1,085,908)	(994,272)	(532,177)	(557,544)
Total all other governmental funds	<u>\$ 1,145,073</u>	<u>\$ 1,907,312</u>	<u>\$ 8,624,784</u>	<u>\$ 1,437,313</u>	<u>\$ 532,463</u>

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

(Concluded)

Blue Ridge Unified School District No. 32
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	\$ 5,101,888	\$ 6,375,991	\$ 2,908,369	\$ 3,776,918	\$ 2,943,549
National School Lunch Program	904,916	800,899	1,751,287	1,121,887	880,618
Total federal sources	<u>6,006,804</u>	<u>7,176,890</u>	<u>4,659,656</u>	<u>4,898,805</u>	<u>3,824,167</u>
State sources:					
State equalization assistance	4,325,403	3,908,195	3,335,101	2,937,601	3,817,593
State grants	316,656	124,803	46,392	66,962	153,431
School Facilities Oversight Board	861,097	1,172,756	492,654	70,596	566,270
Other revenues	1,510,642	1,828,729	1,719,999	1,112,998	1,192,444
Total state sources	<u>7,013,798</u>	<u>7,034,483</u>	<u>5,594,146</u>	<u>4,188,157</u>	<u>5,729,738</u>
Local sources:					
Property taxes	12,787,074	11,018,647	13,568,266	13,531,960	14,272,379
County aid			196,824	82,931	122,698
Food service sales	250,386	284,819	150,596	28,846	123,817
Investment income	266,090	160,773	28,586	76,465	123,125
Other revenues	1,526,072	1,594,649	1,338,178	1,074,518	1,561,427
Total local sources	<u>14,829,622</u>	<u>13,058,888</u>	<u>15,282,450</u>	<u>14,794,720</u>	<u>16,203,446</u>
Total revenues	<u><u>\$ 27,850,224</u></u>	<u><u>\$ 27,270,261</u></u>	<u><u>\$ 25,536,252</u></u>	<u><u>\$ 23,881,682</u></u>	<u><u>\$ 25,757,351</u></u>

(Continued)

Blue Ridge Unified School District No. 32
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	\$ 2,971,861	\$ 2,790,587	\$ 1,556,926	\$ 1,755,744	\$ 1,489,846
National School Lunch Program	628,216	639,429	567,805	568,363	483,018
Total federal sources	<u>3,600,077</u>	<u>3,430,016</u>	<u>2,124,731</u>	<u>2,324,107</u>	<u>1,972,864</u>
State sources:					
State equalization assistance	3,699,842	3,450,076	3,334,134	2,730,130	3,033,598
State grants	69,330	46,248	44,888	36,815	43,111
School Facilities Oversight Board	1,441,029	1,270,249	168,900	136,943	144,654
Other revenues	<u>1,322,712</u>	<u>1,149,877</u>	<u>1,031,009</u>	<u>994,940</u>	<u>882,116</u>
Total state sources	<u>6,532,913</u>	<u>5,916,450</u>	<u>4,578,931</u>	<u>3,898,828</u>	<u>4,103,479</u>
Local sources:					
Property taxes	13,915,881	13,748,827	11,646,339	10,973,136	11,021,941
County aid	129,579	133,096	92,433	102,007	136,918
Food service sales	126,244	139,153	193,658	163,718	135,268
Investment income	83,565	59,734	17,067	8,689	9,423
Other revenues	<u>1,210,617</u>	<u>1,291,000</u>	<u>1,261,050</u>	<u>1,262,901</u>	<u>1,390,635</u>
Total local sources	<u>15,465,886</u>	<u>15,371,810</u>	<u>13,210,547</u>	<u>12,510,451</u>	<u>12,694,185</u>
Total revenues	<u>\$ 25,598,876</u>	<u>\$ 24,718,276</u>	<u>\$ 19,914,209</u>	<u>\$ 18,733,386</u>	<u>\$ 18,770,528</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)

Blue Ridge Unified School District No. 32
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	\$ 10,962,699	\$ 11,008,654	\$ 10,870,731	\$ 9,500,882	\$ 9,312,219
Support services - students and staff	2,757,884	3,057,981	2,559,560	2,279,698	2,293,422
Support services - administration	2,136,349	2,176,119	2,117,031	1,925,918	1,876,525
Operation and maintenance of plant services	2,804,304	3,040,226	2,810,491	2,538,383	2,507,225
Student transportation services	1,078,559	1,114,109	1,077,593	894,601	908,709
Operation of non-instructional services	1,185,480	1,125,905	1,190,785	883,652	920,460
Capital outlay	1,812,893	2,034,513	1,614,938	1,299,225	1,449,421
Debt service -					
Principal retirement	2,501,130	2,394,459	2,871,723	3,025,329	2,932,733
Interest and fiscal charges	661,623	752,266	884,470	719,762	905,926
Bond issuance costs				138,626	
Total expenditures	<u><u>\$ 25,900,921</u></u>	<u><u>\$ 26,704,232</u></u>	<u><u>\$ 25,997,322</u></u>	<u><u>\$ 23,206,076</u></u>	<u><u>\$ 23,106,640</u></u>
Expenditures for capitalized assets	\$ 1,450,175	\$ 1,389,334	\$ 994,894	\$ 133,528	\$ 948,933
Debt service as a percentage of noncapital expenditures	13%	12%	15%	16%	17%

(Continued)

Blue Ridge Unified School District No. 32
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	\$ 9,432,660	\$ 9,210,749	\$ 8,611,755	\$ 8,082,291	\$ 7,527,620
Support services - students and staff	2,088,425	2,174,562	2,176,403	1,647,948	1,417,365
Support services - administration	2,251,188	2,299,125	1,986,266	1,725,507	1,904,328
Operation and maintenance of plant services	2,446,044	2,445,927	2,260,790	2,171,395	2,048,467
Student transportation services	1,023,210	947,486	914,423	1,052,350	881,527
Operation of non-instructional services	807,432	786,529	781,427	743,278	649,656
Capital outlay	3,492,765	8,931,510	7,764,556	1,168,284	434,689
Debt service -					
Principal retirement	2,825,654	2,830,989	2,094,375	1,903,530	1,837,562
Interest and fiscal charges	983,513	1,172,755	573,927	556,344	980,167
Bond issuance costs			237,563	196,556	
Total expenditures	<u>\$ 25,350,891</u>	<u>\$ 30,799,632</u>	<u>\$ 27,401,485</u>	<u>\$ 19,247,483</u>	<u>\$ 17,681,381</u>
Expenditures for capitalized assets	\$ 2,577,771	\$ 6,864,184	\$ 6,016,169	\$ 380,412	\$ 250,551
Debt service as a percentage of noncapital expenditures	17%	17%	12%	13%	16%

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

(Concluded)

Blue Ridge Unified School District No. 32
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	\$ 1,949,303	\$ 566,029	\$ (461,070)	\$ 675,606	\$ 2,650,711
Other financing sources (uses):					
Issuance of School Improvement Bonds				8,100,000	
Premium on sale of bonds				756,251	
Payment to refunded bond escrow agent				(8,717,625)	
Insurance recoveries	10,052	21,758			
Transfers in	356,561	853,668	531,694	426,253	220,383
Transfers out	(356,561)	(853,668)	(531,694)	(426,253)	(220,383)
Total other financing sources (uses)	<u>10,052</u>	<u>21,758</u>	<u></u>	<u>138,626</u>	<u></u>
Changes in fund balances	<u>\$ 1,959,355</u>	<u>\$ 587,787</u>	<u>\$ (461,070)</u>	<u>\$ 814,232</u>	<u>\$ 2,650,711</u>
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Excess (deficiency) of revenues over expenditures	\$ 247,985	\$ (6,081,356)	\$ (7,487,276)	\$ (514,097)	\$ 1,089,147
Other financing sources (uses):					
Issuance of School Improvement Bonds			13,920,000		
Refunding bonds issued				15,660,000	
Premium on sale of bonds			1,284,976		
Payment to refunded bond escrow agent				(15,463,444)	
Capital lease agreements		92,078		269,582	
Insurance recoveries			47,632		
Transfers in	259,757	272,393	326,217	250,607	77,690
Transfers out	(259,757)	(272,393)	(326,217)	(250,607)	(77,690)
Total other financing sources (uses)	<u></u>	<u>92,078</u>	<u>1,332,608</u>	<u>466,138</u>	<u></u>
Changes in fund balances	<u>\$ 247,985</u>	<u>\$ (5,989,278)</u>	<u>\$ (6,154,668)</u>	<u>\$ (47,959)</u>	<u>\$ 1,089,147</u>

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

Blue Ridge Unified School District No. 32
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	\$ 44,545,107	\$ 42,519,763	\$ 42,433,140	\$ 39,245,402	\$ 37,549,844
Agricultural and Vacant	18,732,555	18,119,448	18,666,027	19,168,515	19,227,050
Residential (Owner Occupied)	77,819,583	73,997,570	69,585,174	66,476,616	62,671,934
Residential (Rental)	<u>171,553,845</u>	<u>160,543,925</u>	<u>150,690,079</u>	<u>144,919,240</u>	<u>136,432,779</u>
Total	\$ <u>312,651,090</u>	\$ <u>295,180,706</u>	\$ <u>281,374,420</u>	\$ <u>269,809,773</u>	\$ <u>255,881,607</u>
Gross Full Cash Value	\$ 4,451,351,300	\$ 2,784,761,672	\$ 3,008,433,687	\$ 2,954,247,039	\$ 2,607,174,225
Ratio of Net Limited Assessed Value to Gross Full Cash Value	7%	11%	9%	9%	10%
Total Direct Rate	4.50	4.15	5.21	5.41	6.00

<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	\$ 36,553,189	\$ 36,801,435	\$ 36,519,756	\$ 36,374,443	\$ 37,583,867
Agricultural and Vacant	19,657,791	20,560,067	21,973,988	24,504,340	26,411,389
Residential (Owner Occupied)	58,562,085	55,491,443	58,221,359	56,042,618	55,530,054
Residential (Rental)	<u>129,779,112</u>	<u>126,838,261</u>	<u>116,016,057</u>	<u>111,036,035</u>	<u>106,542,052</u>
Total	\$ <u>244,552,177</u>	\$ <u>239,691,206</u>	\$ <u>232,731,160</u>	\$ <u>227,957,436</u>	\$ <u>226,067,362</u>
Gross Full Cash Value	\$ 2,430,631,745	\$ 2,386,311,651	\$ 2,237,607,460	\$ 2,122,902,082	\$ 2,041,307,953
Ratio of Net Limited Assessed Value to Gross Full Cash Value	10%	10%	10%	11%	11%
Total Direct Rate	6.11	6.17	5.50	5.22	5.26

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

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

Blue Ridge Unified School District No. 32
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	\$ 49,784,874	\$ 45,691,568	\$ 46,675,247	\$ 43,059,361	\$ 39,287,730
Agricultural and Vacant	29,631,026	20,716,696	21,639,212	22,053,945	20,787,207
Residential (Owner Occupied)	118,966,213	88,534,639	80,400,975	77,800,079	68,678,509
Residential (Rental)	<u>249,286,974</u>	<u>183,307,473</u>	<u>164,224,505</u>	<u>159,896,372</u>	<u>143,479,885</u>
Total	<u>\$ 447,669,087</u>	<u>\$ 338,250,376</u>	<u>\$ 312,939,939</u>	<u>\$ 302,809,757</u>	<u>\$ 272,233,331</u>
Gross Full Cash Value	\$ 4,451,351,300	\$ 2,784,761,672	\$ 3,008,433,687	\$ 2,954,247,039	\$ 2,607,174,225
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10%	12%	10%	10%	10%
Estimated Net Full Cash Value	4,077,148,321	2,614,019,437	2,799,584,233	2,700,366,030	2,436,110,597
Total Direct Rate	4.50	4.15	5.21	5.41	6.00

<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	\$ 37,389,893	\$ 37,615,590	\$ 37,230,520	\$ 36,429,538	\$ 37,614,710
Agricultural and Vacant	20,492,007	21,796,475	23,181,569	24,956,752	26,515,689
Residential (Owner Occupied)	62,815,341	60,260,168	61,005,873	57,628,224	55,566,643
Residential (Rental)	<u>134,972,433</u>	<u>132,814,893</u>	<u>121,090,742</u>	<u>113,785,553</u>	<u>106,652,419</u>
Total	<u>\$ 255,669,674</u>	<u>\$ 252,487,126</u>	<u>\$ 242,508,704</u>	<u>\$ 232,800,067</u>	<u>\$ 226,349,461</u>
Gross Full Cash Value	\$ 2,430,631,745	\$ 2,386,311,651	\$ 2,237,607,460	\$ 2,122,902,082	\$ 2,041,307,953
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	11%	11%	11%	11%	11%
Estimated Net Full Cash Value	2,286,668,151	2,252,570,860	2,165,748,892	2,046,851,190	1,966,511,261
Total Direct Rate	6.11	6.17	5.50	5.22	5.26

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.

Blue Ridge Unified School District No. 32
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.

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Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Fiscal Year Ended June 30	Overlapping Rates							District Direct Rates		
	State Equalization	County	County Free Library	Flood Control District	Community College District	Fire District Assistance	Public Health Services	Primary	Secondary	Total
	2024	0.00	0.81	0.09	0.25	1.75	0.10	0.23	3.44	1.06
2023	0.00	0.81	0.09	0.25	1.75	0.10	0.23	3.48	0.67	4.15
2022	0.43	0.85	0.09	0.26	1.75	0.10	0.24	3.73	1.48	5.21
2021	0.44	0.87	0.10	0.26	1.78	0.10	0.24	3.58	1.83	5.41
2020	0.46	0.88	0.10	0.27	1.82	0.10	0.25	3.83	2.17	6.00
2019	0.47	0.90	0.10	0.28	1.82	0.10	0.25	3.87	2.24	6.11
2018	0.49	0.89	0.10	0.28	1.81	0.10	0.25	4.01	2.17	6.18
2017	0.50	0.85	0.10	0.29	1.79	0.10	0.25	4.34	1.15	5.49
2016	0.51	0.84	0.10	0.30	1.74	0.10	0.25	3.60	1.62	5.22
2015	0.51	0.82	0.10	0.30	1.66	0.10	0.24	3.91	1.35	5.26

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

Blue Ridge Unified School District No. 32
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	Net Full Cash Assessed Valuation	Percentage of District's Net Full Cash Assessed Valuation
Navopache Electric Co-Op Inc (T&D)	\$ 3,957,547	1.27 %	\$ 3,567,964	1.58 %
Wal-Mart Stores Inc	2,176,435	0.70	1,988,040	0.88
Unisource Energy Corporation	1,912,880	0.61	2,331,100	1.03
Lowe's HIW Inc	1,612,573	0.52	1,502,829	0.66
Nexcore Group	1,422,957	0.46		
Home Depot USA Inc	1,167,324	0.37	954,631	0.42
Arizona Water Company (Lakeside)	1,051,622	0.34	869,058	0.38
Pinetop WMV LLC	1,021,092	0.33	55,327	0.02
Show Low Yale Cassitas LLC	1,014,686	0.32		
Twice Markets LLC	971,315	0.31		
Citizens Telecomm of White Mountains			1,061,475	0.47
AREC 43 LLC			596,065	0.26
Bear Cub Properties LLC			649,475	0.29
Pinetop WMV LLC			55,327	0.02
Total	\$ 16,308,431	5.23 %	\$ 13,631,291	6.01 %

Source: The source of this information is the Navajo 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.

Blue Ridge Unified School District No. 32
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	\$ 12,654,111	\$ 12,338,986	97.51 %	\$	\$ 12,338,986	97.51 %
2023	10,849,319	10,611,062	97.80	236,125	10,847,187	99.98
2022	13,341,178	13,053,614	97.84	282,219	13,335,833	99.96
2021	13,313,903	13,044,714	97.98	269,167	13,313,881	100.00
2020	14,081,016	13,679,953	97.15	400,787	14,080,740	100.00
2019	13,902,109	13,491,727	97.05	410,072	13,901,799	100.00
2018	13,851,200	13,406,501	96.79	444,660	13,851,161	100.00
2017	11,627,823	11,293,089	97.12	334,485	11,627,574	100.00
2016	10,975,571	10,588,712	96.48	386,837	10,975,549	100.00
2015	10,940,499	10,571,371	96.63	368,875	10,940,246	100.00

Source: The source of this information is the Navajo 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.

Blue Ridge Unified School District No. 32
Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds					Total Outstanding Debt				
	General Obligation Bonds	Less: Amounts Restricted for Principal	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Financed Purchases and Leases	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Percentage of Personal Income
2024	\$ 12,725,628	\$ 911,032	\$ 11,814,596	0.27 %	\$ 856	\$ 1,317,649	\$ 14,043,277	0.32 %	\$ 1,018	0.29 %
2023	15,287,321	469,399	14,817,922	0.53	1,087	1,513,779	16,801,100	0.60	1,232	0.37
2022	17,754,014	1,337,122	16,416,892	0.55	1,106	1,697,888	19,451,902	0.65	1,311	0.43
2021	20,690,707	1,112,843	19,577,864	0.66	1,334	1,889,611	22,580,318	0.76	1,538	0.61
2020	23,302,086	806,690	22,495,396	0.86	1,539	2,124,940	25,427,026	0.98	1,739	0.72
2019	26,079,716	581,243	25,498,473	1.05	1,768	2,347,673	28,427,389	1.17	1,971	0.78
2018	28,762,346	313,089	28,449,257	1.19	1,984	2,558,327	31,320,673	1.31	2,185	0.97
2017	29,930,000	219,688	29,710,312	1.33	2,658	2,912,238	32,842,238	1.47	2,939	1.04
2016	17,570,000	1,111,382	16,458,618	0.78	1,488	3,446,613	21,016,613	0.99	1,900	0.70
2015	18,120,000	217,192	17,902,808	0.88	1,713	3,645,561	21,765,561	1.07	2,083	0.77

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.

Blue Ridge Unified School District No. 32
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:			
Navajo County	\$ 43,049,715	33.90 %	\$ 14,593,654
Town of Pinetop-Lakeside	9,933,800	100.00	<u>9,933,800</u>
Subtotal, Overlapping Debt			<u>24,527,454</u>
Direct:			
Blue Ridge Unified School District			<u>14,043,277</u>
Total Direct and Overlapping Governmental Activities Debt			<u><u>\$ 38,570,731</u></u>

Direct and Overlapping General Bonded Debt Ratios

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation		3.78 %
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 2,634	
As a Percentage of Net Limited Assessed Valuation		11.62 %
As a Percentage of Gross Full Cash Value		0.82 %

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

- Notes:** 1) Estimated percentage of debt outstanding applicable to the District is calculated based on a portion of the District's net limited assessed valuation as a percentage of the net limited assessed valuation of the overlapping jurisdiction.
- 2) Outstanding debt as of June 30, 2021 is presented for the overlapping governments as this is the most recent available information.

Blue Ridge Unified School District No. 32
Legal Debt Margin Information
Last Ten Fiscal Years

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

Net full cash assessed valuation	\$ 447,669,087
Debt limit (20% of assessed value)	89,533,817
Debt applicable to limit	<u>12,725,628</u>
Legal debt margin	<u>\$ 76,808,189</u>

Total Legal Debt Margin Calculation for Fiscal Year 2023:

Net full cash assessed valuation	\$ 447,669,087
Debt limit (30% of assessed value)	134,300,726
Debt applicable to limit	<u>12,725,628</u>
Legal debt margin	<u>\$ 121,575,098</u>

Fiscal Year Ended June 30

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Debt Limit	\$ 134,300,726	\$ 101,475,113	\$ 93,881,982	\$ 90,842,927	\$ 81,669,999
Total net debt applicable to limit	<u>12,725,628</u>	<u>15,287,321</u>	<u>17,754,014</u>	<u>20,690,707</u>	<u>23,118,836</u>
Legal debt margin	<u>\$ 121,575,098</u>	<u>\$ 86,187,792</u>	<u>\$ 76,127,968</u>	<u>\$ 70,152,220</u>	<u>\$ 58,551,163</u>
Total net debt applicable to the limit as a percentage of debt limit	9%	15%	19%	23%	28%

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Debt Limit	\$ 76,700,902	\$ 75,746,138	\$ 72,752,611	\$ 69,840,020	\$ 67,904,838
Total net debt applicable to limit	<u>25,885,086</u>	<u>28,552,457</u>	<u>31,214,976</u>	<u>17,570,000</u>	<u>18,120,000</u>
Legal debt margin	<u>\$ 50,815,816</u>	<u>\$ 47,193,681</u>	<u>\$ 41,537,635</u>	<u>\$ 52,270,020</u>	<u>\$ 49,784,838</u>
Total net debt applicable to the limit as a percentage of debt limit	34%	38%	43%	25%	27%

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.

Blue Ridge Unified School District No. 32
County-Wide Demographic and Economic Statistics
Last Ten Calendar Years

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands)</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>	<u>Estimated District Population</u>
2023	109,175	\$ 4,876,539	\$ 44,667	5.7 %	13,798
2022	108,580	4,573,766	42,096	5.2	13,633
2021	107,748	4,507,525	41,680	6.5	14,837
2020	113,276	3,690,208	33,268	9.9	14,680
2019	112,825	3,552,491	32,165	7.0	14,619
2018	112,746	3,626,475	30,865	6.1	14,426
2017	111,266	3,235,693	29,408	8.4	14,337
2016	110,413	3,154,284	29,132	8.1	11,176
2015	109,671	2,991,865	27,672	10.2	11,061
2014	109,185	2,832,564	26,368	11.3	10,450

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.

Blue Ridge Unified School District No. 32
Principal Employers
Current Fiscal Year and Fiscal Year Nine Years Prior

<u>Employer</u>	<u>2024</u>		<u>2015</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Walmart	1,000	3.83 %	432	1.74 %
Summit Healthcare Association	700	2.68	897	3.60
State of Arizona	620	2.38		
Navajo County	560	2.15		
United States Indian Health Services	510	1.95		
Haven of Show Low Llc	510	1.95		
Hon Dah Casino	450	1.72	400	1.61
Blue Ridge School District	360	1.38	246	0.99
United States Postal Service	350	1.34		
Home Depot	320	1.23		
Show Low Unified School District			220	0.88
Veterans Health Administration			166	0.67
Northland Pioneer College			377	1.51
APS			243	0.98
Safeway			141	0.57
Bashas			51	0.20
Total	<u>5,380</u>	<u>20.61 %</u>	<u>3,173</u>	<u>12.75 %</u>
Total employment	<u>26,100</u>		<u>24,890</u>	

Source: 2022/2023 Arizona COG/MPO Employer Database, employers with 5 or more employees.
2022 Arizona Industrial Directory and 2012 Arizona Services Directory, publications by Harris Infosource and an individual employer survey.

Blue Ridge Unified School District No. 32
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
Consultants/supervisors of instruction	1	1	1	1	1
Principals	3	3	3	3	3
Assistant principals	1	1	1	1	1
Total supervisory	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>
Instruction					
Teachers	117	103	96	104	103
Other professionals (instructional)		3		3	3
Aides	15	25	21	36	34
Total instruction	<u>132</u>	<u>131</u>	<u>117</u>	<u>143</u>	<u>140</u>
Student Services					
Nurses	1				
Counselors/Advisors	3	3	4	4	4
Technicians	8	5	5	18	17
Total student services	<u>12</u>	<u>8</u>	<u>9</u>	<u>22</u>	<u>21</u>
Support and Administration					
Clerical workers	14	15	15	22	21
Maintenance workers	15	13	13	27	25
Bus Drivers	11	11	11	15	13
Other classified	8	25	25	13	11
Total support and administration	<u>48</u>	<u>64</u>	<u>64</u>	<u>77</u>	<u>70</u>
Total	<u><u>198</u></u>	<u><u>209</u></u>	<u><u>196</u></u>	<u><u>248</u></u>	<u><u>237</u></u>

(Continued)

Blue Ridge Unified School District No. 32
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	1	1	1	1	1
Consultants/supervisors of instruction	1	1	1	1	1
Principals	3	3	3	3	4
Assistant principals	2	2	2	3	3
Total supervisory	<u>7</u>	<u>7</u>	<u>7</u>	<u>8</u>	<u>9</u>
Instruction					
Teachers	110	115	121	115	109
Other professionals (instructional)	3	3	3	2	1
Aides	43	45	47	38	37
Total instruction	<u>156</u>	<u>163</u>	<u>171</u>	<u>155</u>	<u>147</u>
Student Services					
Nurses					1
Counselors/Advisors	4	4	4	4	3
Technicians	18	9	9	13	13
Total student services	<u>22</u>	<u>13</u>	<u>13</u>	<u>17</u>	<u>17</u>
Support and Administration					
Clerical workers	21	19	19	17	16
Maintenance workers	25	23	24	20	20
Bus Drivers	14	14	16	11	12
Other classified	11	14	14	13	14
Total support and administration	<u>71</u>	<u>70</u>	<u>73</u>	<u>61</u>	<u>62</u>
Total	<u><u>256</u></u>	<u><u>253</u></u>	<u><u>264</u></u>	<u><u>241</u></u>	<u><u>235</u></u>

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

(Concluded)

Blue Ridge Unified School District No. 32
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	1,581	\$ 20,925,275	\$ 13,237	(0.45) %	\$ 24,608,112	\$ 15,567	(2.25) %	117	13.5	61.0 %
2023	1,619	21,522,994	13,297	10.88	25,777,386	15,926	14.09	103	15.7	57.0
2022	1,720	20,626,191	11,993	12.19	24,007,154	13,959	3.15	96	17.9	55.0
2021	1,686	18,023,134	10,690	11.05	22,815,393	13,532	10.52	104	16.2	55.0
2020	1,851	17,818,560	9,626	5.55	22,663,386	12,244	7.71	103	18.0	55.0
2019	1,979	18,048,959	9,120	6.85	22,497,137	11,368	5.13	110	18.0	53.0
2018	2,093	17,864,378	8,535	6.31	22,631,447	10,813	8.52	115	18.2	50.0
2017	2,084	16,731,064	8,028	6.97	20,765,480	9,964	14.08	121	17.2	40.0
2016	2,055	15,422,769	7,505	0.91	17,948,969	8,734	(2.85)	115	17.9	54.0
2015	1,940	14,428,963	7,438	(1.85)	17,442,087	8,991	0.22	109	17.8	53.0

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

Note: 1) Operating expenditures are total expenditures less debt service and capital outlay.

2) N/A indicates that the information is not available.

Blue Ridge Unified School District No. 32
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>
Schools										
Elementary										
Buildings	7	7	7	7	7	7	7	7	7	7
Square feet	101,798	101,798	101,798	101,798	101,798	101,798	101,798	101,798	70,714	70,714
Capacity	1,272	1,272	1,272	1,272	1,272	1,272	1,272	1,272	883	883
Enrollment	603	752	603	603	943	943	988	1,097	1,097	1,000
Middle										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	58,071	58,071	58,071	58,071	58,071	58,071	58,071	58,071	63,765	63,765
Capacity	725	725	725	725	725	725	725	725	797	797
Enrollment	406	266	406	406	354	354	375	351	351	304
High										
Buildings	20	20	20	20	20	20	20	20	20	20
Square feet	164,416	164,416	164,416	164,416	164,416	164,416	164,416	164,416	164,416	164,416
Capacity	1,370	1,370	1,370	1,370	1,370	1,370	1,370	1,370	1,370	1,370
Enrollment	676	601	676	676	682	682	723	791	791	699
Other										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Administrative										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Transportation										
Garages	1	1	1	1	1	1	1	1	1	1
Buses	35	35	35	35	35	34	34	41	29	29
Athletics										
Football fields	1	1	1	1	1	1	1	1	1	1
Soccer fields	1	1	1	1	1	1	1	1	1	1
Running tracks	1	1	1	1	1	1	1	1	1	1
Baseball/softball	3	3	3	3	3	3	3	3	3	3
Playgrounds	5	5	5	5	5	5	5	5	4	4

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

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