
QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2019



EXCELLENCE THROUGH LEADERSHIP

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95

QUEEN CREEK, ARIZONA

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

Issued by:
Business and Finance Department

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95

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INTRODUCTORY SECTION

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EXCELLENCE THROUGH LEADERSHIP

Dr. Perry Berry, Superintendent
20217 E. Chandler Heights Road
Queen Creek, AZ 85142
480.987.5935

December 20, 2019

Citizens and Governing Board
Queen Creek Unified School District No. 95
20217 East Chandler Heights Road
Queen Creek, Arizona 85142

State law mandates that school districts required to undergo an annual single audit publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States by a certified public accounting firm licensed in the State of Arizona. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Queen Creek Unified School District No. 95 (District) for the fiscal year ended June 30, 2019.

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

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

Excellence Through Leadership

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

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

PROFILE OF THE DISTRICT

The District is one of 58 public school districts located in Maricopa County, Arizona. It provides a program of public education from pre-kindergarten through grade twelve.

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

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

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

The District covers 44 square miles in the southeastern portion of Maricopa County, Arizona. The District overlaps the Town of Queen Creek and the City of Mesa, the principal communities of the District. The District consists of eight school sites: six elementary schools, two middle schools, one junior high, and one high school. The average age of school buildings is 15 years. The 2018-19 average daily membership was 7,157, an increase of four percent over the previous school year. Projected enrollment for the fiscal year 2019-20 is 7,926, an increase of eleven percent. During the 2018-19 fiscal year, the District opened a new elementary school, Faith Mather Elementary School. In addition, the District completed construction on a seventh elementary school and a new high school that will open for the 2019-20 school year. Lastly, the District began construction of an 8th elementary school that will open for the 2020-21 school year. The District employs (including contracted positions) 24 administrators, 391 certified classroom teachers, and 444 support personnel.

The District's tax base continues to have above-average income and housing values. Commercial and industrial building and residential building permits indicate continuing future growth and tax base stabilization.

The District and community have set an expectation of high standards for academic achievement and work ethic for the District's students and employees. Excellence is continuously reinforced as we prepare our students to develop their fullest potential academically, emotionally, and physically. Students, teachers, administrators, and parents all work together to maintain the high performance standards for which the District is recognized. On average, the District's students score above the state and national means on AZ Merit Tests in reading, language, and math.

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

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

FACTORS AFFECTING FINANCIAL CONDITION

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

Local Economy. The Phoenix metropolitan area and the rest of Maricopa County was one of the fastest growing regional markets in the United States. A few of the major firms represented in the Phoenix metropolitan area include Honeywell International, Inc., Banner Health Systems, Wal-Mart Stores, Inc., Wells Fargo Company, and Bashas'. The principal economic activity of the Town of Queen Creek and the outlying portions of the Town is agriculture. Major employers within the District boundaries are Home Depot, Wal-Mart Stores, Inc., and Target. In addition, the metropolitan area provides excellent educational and training opportunities through seven community colleges, four private colleges and graduate schools, and one state university.

Maricopa County is located in the south-central portion of Arizona and encompasses an area of approximately 9,226 square miles. Its boundaries encompass the cities of Phoenix, Scottsdale, Mesa, Tempe, Glendale, Chandler, and such towns as Gilbert, Paradise Valley and Fountain Hills. Maricopa County is currently the nation's fourth largest county in terms of population size and the 14th in land area. The County's 2018 population was estimated at 4.2 million and is expected to reach 5.3 million by 2030.

The District's financial condition reflects the local economy. The District's tax base is similar to the Phoenix Metro area. The District's assessed value has increased for five consecutive years. Developers recognize the southeastern portion of Maricopa County as the next potential growth area. Debt is moderate at about \$4,197 per capita. The Town of Queen Creek includes a large percentage of young professionals and families with a median household income of \$92,917.

Long-term Financial Planning. The District is utilizing a combination of voter approved bonds and overrides to prepare for additional population growth and movement by building, remodeling and equipping the elementary schools, middle school, junior high, and high school with the new technology.

AWARDS AND ACKNOWLEDGMENTS

Awards. The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2018. This was the 14th consecutive year that the District has received this award. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2018. In order to be awarded their certificates, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

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

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

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

Respectfully submitted,



Dr. Perry Berry
Superintendent



Crystal Zachary
Chief Financial Officer



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Queen Creek Unified School District No. 95

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

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



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

Tom Wohlleber, CSR
President

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

David J. Lewis
Executive Director



Government Finance Officers Association

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

Presented to

**Queen Creek Unified School
District No. 95, Arizona**

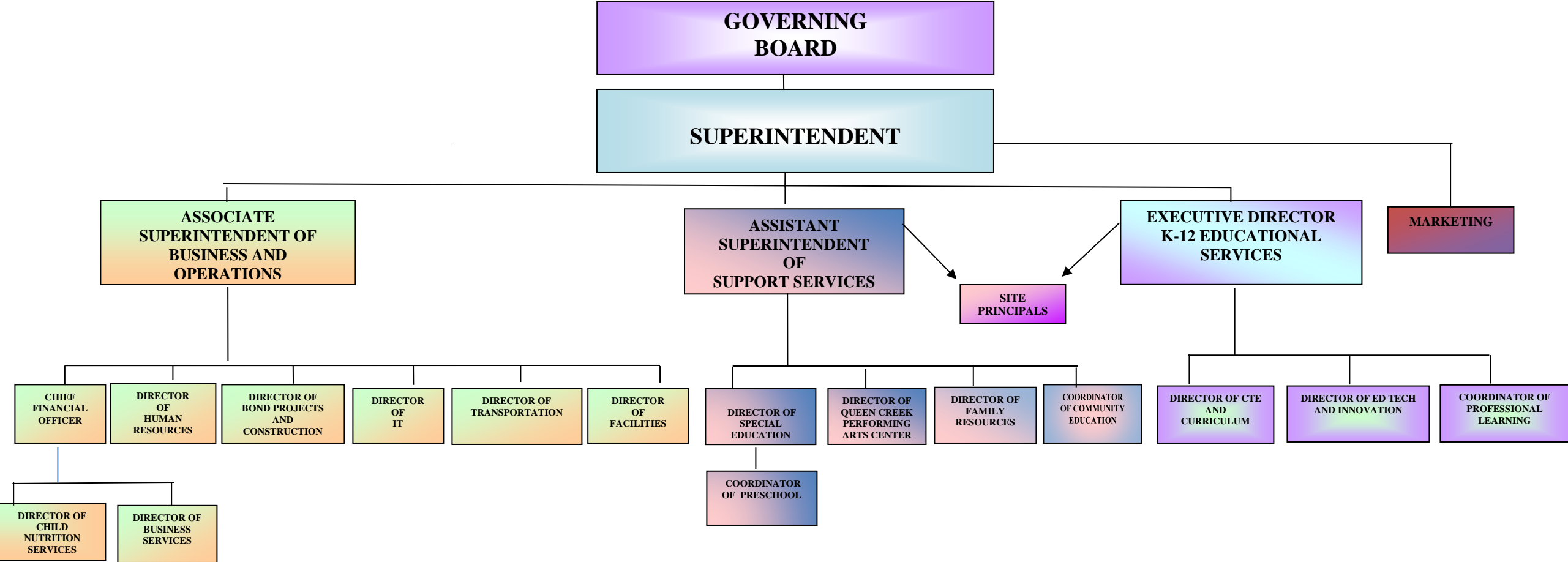
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO

Queen Creek Unified School District #95 2018-2019



QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95

LIST OF PRINCIPAL OFFICIALS

GOVERNING BOARD

Ken Brague, President

Bill Schultz, Vice President

Samantha Davis, Member

Jennifer Revolt, Member

Courtney Narancic, Member

ADMINISTRATIVE STAFF

Perry Berry, Ed.D., Superintendent

Crystal Zachary, Chief Financial Officer

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Governing Board
Queen Creek Unified School District No. 95

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Queen Creek Unified School District No. 95 (District), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Queen Creek Unified School District No. 95, as of June 30, 2019, 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.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2019, on our consideration of Queen Creek Unified School District No. 95'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 Queen Creek Unified School District No. 95'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 Queen Creek Unified School District No. 95's internal control over financial reporting and compliance.

Heinfeld Meech & Co. PC

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

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

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**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

As management of the Queen Creek Unified School District No. 95 (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2019. The management's discussion and analysis is presented as required supplementary information to supplement the basic financial statements. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

- The District's total net position of governmental activities increased \$29.6 million which represents a 37 percent increase from the prior fiscal year as a result of an increase in capital grants and contributions to build new schools for an increasing population.
- General revenues accounted for \$66.6 million in revenue, or 61 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$42.9 million or 39 percent of total current fiscal year revenues.
- The District had approximately \$80.0 million in expenses related to governmental activities, an increase of 25 percent from the prior fiscal year as a result of an increase in student count.
- Among major funds, the General Fund had \$47.5 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$51.7 million in expenditures. The General Fund's fund balance decrease from \$11.7 million at the prior fiscal year end to \$7.9 million at the end of the current fiscal year was primarily due to an increase in current year expenditures due to student count.

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.

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

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 can be divided into two categories: governmental funds and fiduciary funds.

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

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.

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

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, Debt Service, Bond Building, and New School Facilities Funds 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.

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

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$108.8 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.

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

	As of June 30, 2019	As of June 30, 2018
Current and other assets	\$ 59,663,328	\$ 83,571,609
Capital assets, net	247,546,946	169,704,925
Total assets	<u>307,210,274</u>	<u>253,276,534</u>
 Deferred outflows	 <u>14,220,875</u>	 <u>12,645,209</u>
 Current and other liabilities	 17,462,658	 12,466,466
Long-term liabilities	189,497,741	171,345,181
Total liabilities	<u>206,960,399</u>	<u>183,811,647</u>
 Deferred inflows	 <u>5,701,346</u>	 <u>2,920,236</u>
 Net position:		
Net investment in capital assets	122,959,855	88,451,254
Restricted	10,020,049	12,593,027
Unrestricted	(24,210,500)	(21,854,421)
Total net position	<u>\$ 108,769,404</u>	<u>\$ 79,189,860</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 \$24.2 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 \$5.2 million of bonds.
- The addition of \$82.4 million in capital assets through the construction of new school sites, the renovation of two school sites, and the addition of land.
- The increase of \$221,623 in pension liabilities.
- The increase in accumulated depreciation of \$4.3 million.
- The issuance of \$20.6 million of school improvement bonds.

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

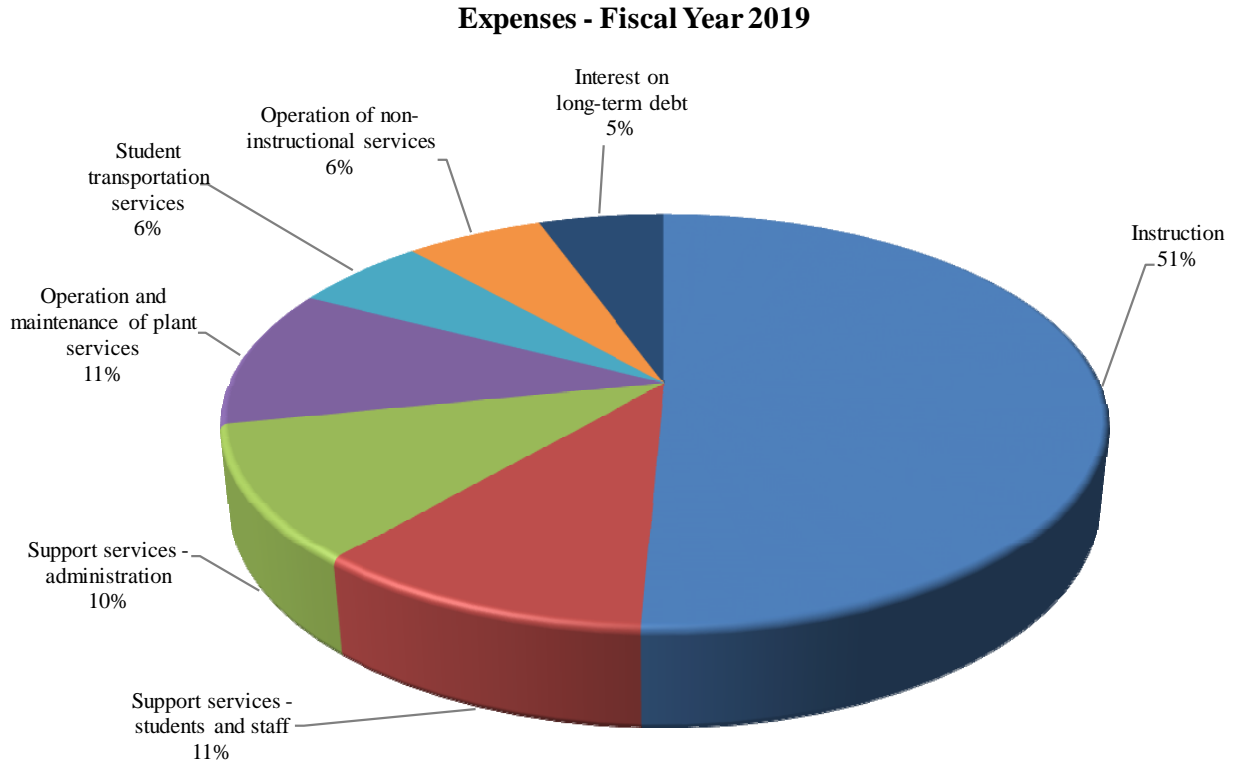
GOVERNMENT-WIDE FINANCIAL ANALYSIS

Changes in net position. The District's total revenues for the current fiscal year were \$109.5 million. The total cost of all programs and services was \$80.0 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2019 and June 30, 2018.

	Fiscal Year Ended June 30, 2019	Fiscal Year Ended June 30, 2018
Revenues:		
Program revenues:		
Charges for services	\$ 6,760,539	\$ 5,487,569
Operating grants and contributions	4,946,126	5,079,024
Capital grants and contributions	31,206,094	24,441,346
General revenues:		
Property taxes	30,199,771	26,453,692
Investment income	1,080,546	347,462
Unrestricted county aid	2,388,204	2,350,517
Unrestricted state aid	32,841,343	27,985,051
Unrestricted federal aid	107,960	217,585
Total revenues	109,530,583	92,362,246
Expenses:		
Instruction	40,516,638	33,710,073
Support services - students and staff	8,507,861	6,638,689
Support services - administration	8,400,826	6,109,880
Operation and maintenance of plant services	8,643,176	7,169,047
Student transportation services	4,703,459	3,949,889
Operation of non-instructional services	4,789,037	3,778,462
Interest on long-term debt	4,390,042	2,604,100
Total expenses	79,951,039	63,960,140
Changes in net position	29,579,544	28,402,106
Net position, beginning	79,189,860	50,787,754
Net position, ending	\$ 108,769,404	\$ 79,189,860

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS



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

- An increase of \$6.8 million in capital grants and contributions to build a new school for an increasing population.
- An increase of \$3.7 million in property tax revenue due to an increase in the assessed values of properties surrounding the District.
- An increase of \$4.9 million in unrestricted state aid as a result of an increase in student count.
- An increase of \$6.8 million in instruction expense due to an increase in student count.

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.

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

	Year Ended June 30, 2019		Year Ended June 30, 2018	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 40,516,638	\$ (5,654,408)	\$ 33,710,073	\$ (5,526,646)
Support services - students and staff	8,507,861	(7,349,115)	6,638,689	(5,799,206)
Support services - administration	8,400,826	(7,879,283)	6,109,880	(5,669,435)
Operation and maintenance of plant services	8,643,176	(8,284,373)	7,169,047	(6,442,692)
Student transportation services	4,703,459	(3,827,932)	3,949,889	(3,576,201)
Operation of non-instructional services	4,789,037	232,567	3,778,462	550,077
Interest on long-term debt	4,390,042	(4,275,736)	2,604,100	(2,488,098)
Total	\$ 79,951,039	\$ (37,038,280)	\$ 63,960,140	\$ (28,952,201)

- The cost of all governmental activities this year was \$80.0 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$42.9 million.
- Net cost of governmental activities of \$37.0 million was financed by general revenues, which are made up of primarily property taxes of \$30.2 million and federal, state and county aid of \$35.3 million. Investment earnings accounted for \$1.1 million of funding.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$35.1 million, a decrease of \$28.6 million due primarily to the utilization of \$48.5 million in bond proceeds in the Bond Building Fund, to continue renovations of school sites and the building of new school sites in the current year.

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The General Fund comprises 23 percent of the total fund balance. Approximately \$7.9 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 fund balance decreased \$3.8 million to \$7.9 million as of fiscal year end. General Fund expenditures increased \$10.2 million primarily due to an increase in student count.

The Debt Service Fund's fund balance increase of \$649,026 to \$1.4 million as of fiscal year end was due to the District meeting debt service requirements.

The Bond Building Fund's fund balance decreased \$25.5 million to \$17.7 million as of fiscal year end primarily due to the utilization of \$48.5 million in bond proceeds to continue renovations of school sites and the building of new school sites in the current year.

The New School Facilities Fund's fund balance decreased \$3.7 million to zero as of fiscal year end due to the completion of two new school sites.

BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the General Fund annual expenditure budget for changes in average daily membership of the District. The difference between the original budget and the final amended budget was a \$226,452 increase, or less than one percent.

Significant variances for the final amended budget and actual revenues resulted from the District not being required by the State of Arizona to prepare a revenue budget. A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund is provided in this report as required supplementary information. The variance between the final amended budget and actual expenditures of six percent was due to the significant favorable variance of \$1.8 million in instruction, which was a result of budgeting to the maximum general budget limit to maximize the budget carry forward to provide capacity in future years for contingencies. The growth is reflected in the current year budget limit and expenditures are expected to increase significantly in the next year due to the increase in the number of students.

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At year end, the District had invested \$294.1 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 \$82.1 million from the prior fiscal year, primarily due to the construction of new schools and renovations at existing school sites. During the fiscal year, the District constructed a new high school and a new elementary school that opened for the 2019-20 school year and the District also started construction on a new elementary school that will open for the 2020-21 school year. Total depreciation expense for the current fiscal year was \$4.6 million.

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

	As of June 30, 2019	As of June 30, 2018
Capital assets - non-depreciable	\$ 64,483,881	\$ 54,886,786
Capital assets - depreciable, net	183,063,065	114,818,139
Total	\$ 247,546,946	\$ 169,704,925

The estimated cost to complete current construction projects is \$5.9 million.

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

Debt Administration. At year end, the District had \$142.8 million in long-term debt outstanding, \$5.6 million due within one year. Long-term debt increased by \$17.7 million due to the issuance of a \$20.6 million of school improvement bonds.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 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 \$178.8 million and the Class B debt limit is \$119.2 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.

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

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

- Fiscal year 2018-19 budget balance carry forward (estimated \$500,000)
- District student population (estimated 7,926)

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

Budgeted expenditures in the General Fund increased eight percent to \$57.4 million in fiscal year 2019-20. Increased payroll and employee benefit costs as a result of an increase in students is the primary reason for the increase. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2019-20 budget.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business and Finance Department, Queen Creek Unified School District No. 95, 20217 East Chandler Heights Road, Queen Creek, Arizona 85142.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
STATEMENT OF NET POSITION
JUNE 30, 2019

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 46,112,796
Deposits	41,354
Property taxes receivable	1,241,637
Due from governmental entities	11,854,938
Inventory	295,466
Total current assets	59,546,191
Noncurrent assets:	
Net other postemployment benefit assets	117,137
Capital assets not being depreciated	64,483,881
Capital assets, net of accumulated depreciation	183,063,065
Total noncurrent assets	247,664,083
Total assets	307,210,274
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred charge on refunding	475,427
Pension and other postemployment benefit plan items	13,745,448
Total deferred outflows of resources	14,220,875
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	731,284
Construction contracts payable	11,617,990
Accrued payroll and employee benefits	2,773,105
Compensated absences payable	175,774
Accrued interest payable	2,266,473
Unearned revenues	73,806
Bonds payable	5,610,000
Total current liabilities	23,248,432
Noncurrent liabilities:	
Non-current portion of long-term obligations	183,711,967
Total noncurrent liabilities	183,711,967
Total liabilities	206,960,399
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Pension and other postemployment benefit plan items	5,701,346
<u>NET POSITION</u>	
Net investment in capital assets	122,959,855
Restricted	10,020,049
Unrestricted	(24,210,500)
Total net position	\$ 108,769,404

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019

Functions/Programs	Expenses	Program Revenues			Governmental Activities	Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
Governmental activities:						
Instruction	\$ 40,516,638	\$ 1,926,558	\$ 1,729,578	\$ 31,206,094		\$ (5,654,408)
Support services - students and staff	8,507,861	178,591	980,155			(7,349,115)
Support services - administration	8,400,826	37,667	483,876			(7,879,283)
Operation and maintenance of plant services	8,643,176	266,422	92,381			(8,284,373)
Student transportation services	4,703,459	657,993	217,534			(3,827,932)
Operation of non-instructional services	4,789,037	3,693,308	1,328,296			232,567
Interest on long-term debt	4,390,042		114,306			(4,275,736)
Total governmental activities	<u>\$ 79,951,039</u>	<u>\$ 6,760,539</u>	<u>\$ 4,946,126</u>	<u>\$ 31,206,094</u>		<u>(37,038,280)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	19,621,907
Property taxes, levied for debt service	9,449,066
Property taxes, levied for capital outlay	1,128,798
Investment income	1,080,546
Unrestricted county aid	2,388,204
Unrestricted state aid	32,841,343
Unrestricted federal aid	107,960

Total general revenues

66,617,824

Changes in net position

29,579,544

Net position, beginning of year

79,189,860

Net position, end of year

\$ 108,769,404

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

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FUND FINANCIAL STATEMENTS

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2019

	General	Debt Service	Bond Building
<u>ASSETS</u>			
Cash and investments	\$ 2,550,293	\$ 9,153,634	\$ 27,990,139
Deposits			
Property taxes receivable	963,361	149,478	
Due from governmental entities	8,135,129	170,790	
Due from other funds			
Inventory	59,015		
Total assets	\$ 11,707,798	\$ 9,473,902	\$ 27,990,139
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 557,524	\$	\$
Construction contracts payable			10,302,152
Due to other funds			
Accrued payroll and employee benefits	2,334,783		
Unearned revenues			
Bonds payable		5,610,000	
Bond interest payable		2,266,473	
Total liabilities	2,892,307	7,876,473	10,302,152
Deferred inflows of resources:			
Unavailable revenues - property taxes	876,207	110,154	
Unavailable revenues - intergovernmental		113,637	
Total deferred inflows of resources	876,207	223,791	
Fund balances (deficits):			
Nonspendable	59,015		
Restricted		1,373,638	17,687,987
Unassigned	7,880,269		
Total fund balances	7,939,284	1,373,638	17,687,987
 Total liabilities, deferred inflows of resources and fund balances	 \$ 11,707,798	 \$ 9,473,902	 \$ 27,990,139

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

<u>New School Facilities</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$	\$ 6,418,730	\$ 46,112,796
	41,354	41,354
	128,798	1,241,637
1,122,581	2,426,438	11,854,938
	1,120,669	1,120,669
	236,451	295,466
<u>\$ 1,122,581</u>	<u>\$ 10,372,440</u>	<u>\$ 60,666,860</u>

\$	\$ 173,760	\$ 731,284
1,122,581	193,257	11,617,990
	1,120,669	1,120,669
	438,322	2,773,105
	73,806	73,806
		5,610,000
		2,266,473
<u>1,122,581</u>	<u>1,999,814</u>	<u>24,193,327</u>

	128,798	1,115,159
	133,431	247,068
	<u>262,229</u>	<u>1,362,227</u>

	236,451	295,466
	8,057,371	27,118,996
	(183,425)	7,696,844
	<u>8,110,397</u>	<u>35,111,306</u>

<u>\$ 1,122,581</u>	<u>\$ 10,372,440</u>	<u>\$ 60,666,860</u>
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QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2019

Total governmental fund balances **\$ 35,111,306**

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	\$ 294,066,359	
Less accumulated depreciation	<u>(46,519,413)</u>	247,546,946

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

Property taxes	1,115,159	
Intergovernmental	<u>247,068</u>	1,362,227

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

475,427

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

Deferred outflows of resources related to pensions/OPEB	13,745,448	
Deferred inflows of resources related to pensions/OPEB	<u>(5,701,346)</u>	8,044,102

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

117,137

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

Compensated absences payable	(1,386,870)	
Obligations under capital leases	(17,800,000)	
Net OPEB liability	(169,584)	
Net pension liability	(45,190,782)	
Bonds payable	<u>(119,340,505)</u>	<u>(183,887,741)</u>

Net position of governmental activities **\$ 108,769,404**

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

	General	Debt Service	Bond Building
Revenues:			
Other local	\$ 4,040,984	\$ 167,208	\$ 646,773
Property taxes	19,833,167	9,410,578	
State aid and grants	23,482,781		
Federal aid, grants and reimbursements	107,960	114,306	
Total revenues	47,464,892	9,692,092	646,773
Expenditures:			
Current -			
Instruction	28,379,500		
Support services - students and staff	6,678,033		
Support services - administration	6,403,389		
Operation and maintenance of plant services	7,181,030		
Student transportation services	2,650,440		
Operation of non-instructional services	316,698		
Capital outlay	56,113		48,519,785
Debt service -			
Principal retirement		5,610,000	
Interest and fiscal charges		4,309,909	
Debt issuance costs			289,732
Total expenditures	51,665,203	9,919,909	48,809,517
Excess (deficiency) of revenues over expenditures	(4,200,311)	(227,817)	(48,162,744)
Other financing sources (uses):			
Transfers in	346,946	876,843	
Transfers out			(876,843)
Issuance of school improvement bonds			20,640,000
Premium on sale of bonds			2,864,424
Insurance recoveries	42,277		
Total other financing sources (uses)	389,223	876,843	22,627,581
Changes in fund balances	(3,811,088)	649,026	(25,535,163)
Fund balances, beginning of year	11,743,940	724,612	43,223,150
Increase (decrease) in reserve for inventory	6,432		
Fund balances, end of year	\$ 7,939,284	\$ 1,373,638	\$ 17,687,987

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

New School Facilities	Non-Major Governmental Funds	Total Governmental Funds
\$ 35,384	\$ 5,676,879	\$ 10,567,228
	1,000,000	30,243,745
22,247,585	9,945,137	55,675,503
	4,842,139	5,064,405
<u>22,282,969</u>	<u>21,464,155</u>	<u>101,550,881</u>
	5,688,005	34,067,505
	1,423,664	8,101,697
	584,791	6,988,180
	206,807	7,387,837
	457,610	3,108,050
	4,083,614	4,400,312
26,002,157	4,216,755	78,794,810
		5,610,000
	596,300	4,906,209
		289,732
<u>26,002,157</u>	<u>17,257,546</u>	<u>153,654,332</u>
<u>(3,719,188)</u>	<u>4,206,609</u>	<u>(52,103,451)</u>
		1,223,789
	(346,946)	(1,223,789)
		20,640,000
		2,864,424
		42,277
	<u>(346,946)</u>	<u>23,546,701</u>
<u>(3,719,188)</u>	<u>3,859,663</u>	<u>(28,556,750)</u>
3,719,188	4,252,080	63,662,970
	(1,346)	5,086
<u>\$</u>	<u>\$ 8,110,397</u>	<u>\$ 35,111,306</u>

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019

Changes in fund balances - total governmental funds **\$ (28,556,750)**

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

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

Expenditures for capitalized assets	\$ 73,762,675	
Donation of land	8,670,110	
Less current year depreciation	<u>(4,567,678)</u>	77,865,107

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

Issuance of school improvement bonds		(20,640,000)
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Some revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	(43,974)	
Intergovernmental	<u>(688,711)</u>	(732,685)

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

5,610,000

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

Current year pension/OPEB contributions	4,426,356	
Pension/OPEB expense	<u>(5,899,150)</u>	(1,472,794)

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.

Inventory	5,086	
Deferred charges on issuance of debt	(59,428)	
Loss on disposal of assets	(23,086)	
Amortization of deferred bond items	(2,288,829)	
Compensated absences	<u>(127,077)</u>	<u>(2,493,334)</u>

Changes in net position in governmental activities **\$ 29,579,544**

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2019

	Agency
<u>ASSETS</u>	
Cash and investments	\$ 712,711
Total assets	\$ 712,711
<u>LIABILITIES</u>	
Deposits held for others	\$ 535,869
Due to student groups	176,842
Total liabilities	\$ 712,711

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Queen Creek Unified School District No. 95 (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.

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

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.

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

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

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

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

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

The District reports the following major governmental funds:

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

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

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

New School Facilities Fund – The New School Facilities Fund accounts for monies received from the School Facilities Board to be used for constructing new school facilities and purchasing land for new school sites.

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Additionally, the District reports the following fund type:

Fiduciary Funds – The Fiduciary Funds are Agency Funds which account for resources held by the District on behalf of others. This fund type includes the Student Activities Fund, which accounts for monies raised by students to finance student clubs and organizations held by the District as an agent. In addition, funds that account for employee withholdings before the monies are remitted to the appropriate entities are included in the Agency Funds.

The agency funds are custodial in nature and do not have a measurement focus and are reported using the accrual basis of accounting. The agency funds are reported by fund type.

D. Cash and Investments

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

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

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

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

E. Investment Income

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

F. Receivables and Payables

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

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

G. Property Tax Calendar

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

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

H. Inventory

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories consist of expendable supplies held for consumption. Inventories are recorded as expenses when consumed on the government-wide financial statements and as expenditures when purchased on the fund financial statements.

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. Prepaid Items

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

J. Capital Assets

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

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

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

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

Land improvements	15 – 50 years
Buildings and improvements	20 – 50 years
Vehicles, furniture and equipment	5 – 25 years

K. Deferred Outflows/Inflows of Resources

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

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

L. Compensated Absences

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

M. Pensions and Other Postemployment Benefits

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

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.

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

P. Net Position Flow Assumption

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

Q. Estimates

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

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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

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

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

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

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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.

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 Fund	Debt Service Fund	Bond Building Fund	Non-Major Governmental Funds
Fund Balances:				
Nonspendable:				
Inventory	\$ 59,015	\$	\$	\$ 236,451
Restricted:				
Debt service		1,373,638		
Capital projects				1,046,495
Bond building projects			17,687,987	
Voter approved initiatives				2,861,610
Federal and state projects				341,042
Food service				909,851
Civic center projects				978,693
Community schools projects				971,232
Extracurricular activities				212,116
CTED				717,348
Other purposes				18,984
Unassigned	7,880,269			(183,425)
Total fund balances	\$ 7,939,284	\$1,373,638	\$17,687,987	\$ 8,110,397

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 3 – RESTRICTED NET POSITION

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

	Governmental Activities
Restricted Net Position:	
Debt service	\$ 1,597,429
Capital projects	1,175,293
Voter approved initiatives	2,861,610
Federal and state projects	341,042
Food service	1,146,302
Civic center	978,693
Community school	971,232
Extracurricular activities	212,116
CTED	717,348
Other purposes	18,984
Total	\$ 10,020,049

NOTE 4 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

	Deficit
Non-Major Governmental Funds:	
Title I Grants Fund	\$ 18,367
Professional Development and Technology Grants Fund	44,091
Title IV Grants Fund	12,258
Special Education Grants Fund	13,503
Adult Education Fund	17,669
Vocational Education Fund	1,122
Other Federal Projects Fund	26,421
Adjacent Ways Fund	49,994

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

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 5 – CASH AND INVESTMENTS

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure the District’s deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District’s deposits was \$660,229 and the bank balance was \$1,016,258. At year end, all of the District’s deposits were covered by depository insurance or collateral held by the pledging financial institution 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:

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer’s investment pool	318 days	\$ 46,165,278
Total		\$ 46,165,278

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

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

Custodial Credit Risk – Investments. The District’s investment in the County Treasurer’s investment pool represents a proportionate interest in the pool’s portfolio; however, the District’s portion is not identified with specific investments and is not subject to custodial credit risk.

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 6 – RECEIVABLES

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

	General Fund	Debt Service Fund	New School Facilities Fund	Non-Major Governmental Funds
Due from other governmental entities:				
Due from federal government	\$	\$ 170,790	\$	\$ 1,274,042
Due from state government	8,135,129		1,122,581	738,818
Due from other districts				413,578
Net due from governmental entities	<u>\$ 8,135,129</u>	<u>\$ 170,790</u>	<u>\$ 1,122,581</u>	<u>\$ 2,426,438</u>

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	\$ 30,036,017	\$ 13,099,911	\$	\$ 43,135,928
Construction in progress	24,850,769	69,826,805	73,329,621	21,347,953
Total capital assets, not being depreciated	<u>54,886,786</u>	<u>82,926,716</u>	<u>73,329,621</u>	<u>64,483,881</u>
Capital assets, being depreciated:				
Land improvements	6,541,383	6,101,687		12,643,070
Buildings and improvements	136,988,356	62,798,133		199,786,489
Vehicles, furniture and equipment	13,542,686	3,935,870	325,637	17,152,919
Total capital assets being depreciated	<u>157,072,425</u>	<u>72,835,690</u>	<u>325,637</u>	<u>229,582,478</u>
Less accumulated depreciation for:				
Land improvements	(1,756,192)	(297,702)		(2,053,894)
Buildings and improvements	(33,285,490)	(3,349,468)		(36,634,958)
Vehicles, furniture and equipment	(7,212,604)	(920,508)	(302,551)	(7,830,561)
Total accumulated depreciation	<u>(42,254,286)</u>	<u>(4,567,678)</u>	<u>(302,551)</u>	<u>(46,519,413)</u>
Total capital assets, being depreciated, net	<u>114,818,139</u>	<u>68,268,012</u>	<u>23,086</u>	<u>183,063,065</u>
Governmental activities capital assets, net	<u>\$169,704,925</u>	<u>\$151,194,728</u>	<u>\$73,352,707</u>	<u>\$ 247,546,946</u>

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 7 – CAPITAL ASSETS

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 2,821,931
Support services – students and staff	8,101
Support services – administration	262,086
Operation and maintenance of plant services	791,816
Student transportation services	567,828
Operation of non-instructional services	115,916
Total depreciation expense – governmental activities	\$ 4,567,678

Construction Commitments – At year end, the District had contractual commitments related to the construction of a new school site and renovations to one other school site. At year end, the District had spent \$21,347,953 on the projects and had estimated remaining contractual commitments of \$5,927,988. These projects are being funded from the Bond Building and New School Facilities Funds.

NOTE 8 – REVOLVING LINE OF CREDIT

The District has a revolving line of credit to provide cash flow during the year to mitigate the impact of timing differences of expenditures and the receipt of state aid and property tax revenues. At year end, the District had \$4.0 million in unused line of credit. General Fund revenues will be used to repay the line of credit as cash becomes available. Short-term debt activity for the current fiscal year, was as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
Revolving line of credit	\$ _____	\$ 6,104,000	\$ (6,104,000)	\$ _____

NOTE 9 – OBLIGATIONS UNDER CAPITAL LEASES

Capital Leases – The District has financed the construction of the new elementary school under the provisions of a long-term lease agreement classified as a capital lease. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of its future minimum lease payments as of the inception date. It is anticipated that future bond proceeds will be used to pay off the entire lease. Otherwise, revenues from the Unrestricted Capital Outlay Fund are used to pay the capital lease obligation. Amortization of assets recorded under capital leases is included with depreciation expense.

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 9 – OBLIGATIONS UNDER CAPITAL LEASES

The assets acquired through capital leases that meet the District’s capitalization threshold are as follows:

	Governmental Activities
Asset:	
Building and improvements	\$ 15,724,816
Land improvements	1,283,155
Vehicles, furniture and equipment	126,144
Less: Accumulated depreciation	(129,236)
Total	\$ 17,004,879

The future minimum lease obligations and the net present value of these minimum lease payments at year end were as follows:

	Governmental Activities
Year Ending June 30:	
2020	\$ 596,300
2021	596,300
2022	1,811,300
2023	1,814,961
2024	1,812,081
2025-29	9,070,448
2030-33	7,254,008
Total minimum lease payments	22,955,398
Less: amount representing interest	5,155,398
Present value of minimum lease payments	17,800,000
Due within one year	\$

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 10 – GENERAL OBLIGATION BONDS PAYABLE

Bonds payable at year end, consisted of the following outstanding general obligation bonds. Of the total amount originally authorized, \$40,540,000 remains unissued. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt. In addition, a portion of the District’s school improvements bonds are Qualified Build America Bonds (BABS). The District receives a direct subsidy payment from the United States of America for a portion of the interest payment due on the bonds.

<u>Purpose</u>	<u>Original Amount Issued</u>	<u>Interest Rates</u>	<u>Remaining Maturities</u>	<u>Outstanding Principal June 30, 2019</u>	<u>Due Within One Year</u>
Governmental activities:					
School Improvement Bonds, Projects of 2002 and 2005, Series 2008	\$14,580,000	4.0-4.25%	7/1/19-21	\$ 3,100,000	\$ 995,000
School Improvement Bonds, Projects of 2005, Series C 2010	8,735,000	5.0-6.75%	7/1/19-29	6,185,000	425,000
School Improvement Bonds, Projects of 2010 and 2014, Series 2015	31,920,000	2.0-4.5%	7/1/19-34	30,545,000	2,025,000
Refunding Bonds, Series 2015	6,910,000	2.0-5.0%	7/1/19-27	6,625,000	215,000
School Improvement Bonds, Project of 2010 and 2014, Series 2016	4,350,000	2.0-3.0%	7/1/19-29	4,100,000	175,000
School Improvement Bonds, Series 2018	45,215,000	4.0-5.0%	7/1/19-37	44,370,000	1,775,000
School Improvement Bonds, Series 2019	20,640,000	2.0-5.0%	7/1/20-38	20,640,000	
Total				<u>\$ 115,565,000</u>	<u>\$ 5,610,000</u>

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

Year ending June 30:	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2020	\$ 5,610,000	\$ 4,688,704
2021	5,795,000	4,742,675
2022	4,445,000	4,544,663
2023	5,830,000	4,319,149
2024	6,180,000	4,069,894
2025-29	31,015,000	16,333,582
2030-34	34,895,000	8,780,681
2035-39	21,795,000	2,083,200
Total	<u>\$ 115,565,000</u>	<u>\$ 49,562,548</u>

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 11 – CHANGES IN LONG-TERM LIABILITIES

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 100,115,000	\$ 20,640,000	\$ 5,190,000	\$ 115,565,000	\$ 5,610,000
Premium	7,096,676	2,864,424	575,595	9,385,505	
Total bonds payable	<u>107,211,676</u>	<u>23,504,424</u>	<u>5,765,595</u>	<u>124,950,505</u>	<u>5,610,000</u>
Obligations under capital leases	17,800,000			17,800,000	
Net OPEB liability	104,553	65,031		169,584	
Net pension liability	44,969,159	221,623		45,190,782	
Compensated absences payable	<u>1,259,793</u>	<u>850,022</u>	<u>722,945</u>	<u>1,386,870</u>	<u>175,774</u>
Governmental activity long-term liabilities	<u>\$ 171,345,181</u>	<u>\$ 24,641,100</u>	<u>\$ 6,488,540</u>	<u>\$ 189,497,741</u>	<u>\$ 5,785,774</u>

NOTE 12 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At year end, interfund balances were as follows:

Due to/from other funds:

At year end, several non-major funds had negative cash balances in the Treasurer's pooled cash accounts. Negative cash on deposit with the County Treasurer in the amount of \$1.1 million was reduced by interfund borrowing with another non-major fund. All interfund balances are expected to be paid within one year.

Interfund transfers:

<u>Transfers out</u>	<u>Transfers in</u>		<u>Total</u>
	<u>General Fund</u>	<u>Debt Service Fund</u>	
Bond Building Fund	\$	\$ 876,843	\$ 876,843
Non-Major Governmental Funds	346,946		346,946
Total	<u>\$ 346,946</u>	<u>\$ 876,843</u>	<u>\$ 1,223,789</u>

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

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.

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

NOTE 14 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The District was unable to obtain general property and liability insurance at a cost it considered to be economically justifiable. Therefore, the District joined the Arizona School Risk Retention Trust, Inc. (ASRRT), together with other 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's employees have health and accident insurance coverage with Kairos. Kairos is a public entity health benefits pool currently operating as a risk management and insurance program for government entities 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 members' premiums and will reinsure through commercial companies for claims in excess of specified amounts for each insured event.

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.

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

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

	Pension	OPEB
Net assets	\$	\$ (117,137)
Net liability	45,190,782	169,584
Deferred outflows of resources	13,232,526	512,922
Deferred inflows of resources	5,342,643	358,703
Expense	5,718,380	180,770
Contributions	4,195,416	230,940

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	

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

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

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

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

	Contributions
Pension	\$ 4,195,416
Health Insurance Premium	169,356
Long-Term Disability	61,584

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

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

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

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

	Net (Assets) Liability	District % Proportion	Increase (Decrease)
Pension	\$ 45,190,782	0.324	0.035
Health Insurance Premium	(117,137)	0.325	0.036
Long-Term Disability	169,584	0.325	0.037

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

	Expense
Pension	\$ 5,718,380
Health Insurance Premium	117,991
Long-Term Disability	62,779

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

	Deferred Outflows of Resources		
	Pension	Health Insurance Premium	Long-Term Disability
Differences between expected and actual experience	\$ 1,244,969	\$	\$ 4,337
Changes of assumptions or other inputs	1,195,831	225,901	36,731
Net difference between projected and actual earnings on pension investments			
Changes in proportion and differences between contributions and proportionate share of contributions	6,596,310	1,896	13,117
Contributions subsequent to the measurement date	4,195,416	169,356	61,584
Total	\$ 13,232,526	\$ 397,153	\$ 115,769

	Deferred Inflows of Resources		
	Pension	Health Insurance Premium	Long-Term Disability
Differences between expected and actual experience	\$ 249,129	\$ 108,113	\$
Changes of assumptions or other inputs	4,006,783		
Net difference between projected and actual earnings on pension investments	1,086,731	234,000	16,426
Changes in proportion and differences between contributions and proportionate share of contributions		151	13
Total	\$ 5,342,643	\$ 342,264	\$ 16,439

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

Year Ending June 30:	Pension	Health Insurance Premium	Long-Term Disability
2020	\$ 4,654,736	\$ (44,983)	\$ 2,317
2021	1,175,579	(44,983)	2,317
2022	(1,648,491)	(44,984)	2,318
2023	(487,357)	4,875	6,717
2024		15,608	7,524
Thereafter			16,553

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

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

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

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

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

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

	Proportionate share of the net (assets) liability		
		Current	
	1% Decrease	Discount Rate	1% Increase
Rate	6.5%	7.5%	8.5%
Pension	\$ 64,420,499	\$ 45,190,782	\$ 29,124,664
Health Insurance Premium	415,045	(117,137)	(570,451)
Long-Term Disability	192,186	169,584	147,654

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

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REQUIRED SUPPLEMENTARY INFORMATION

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL
YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other local	\$	\$	\$ 2,582,180	\$ 2,582,180
Property taxes			19,833,167	19,833,167
State aid and grants			23,482,781	23,482,781
Total revenues			<u>45,898,128</u>	<u>45,898,128</u>
Expenditures:				
Current -				
Instruction	30,908,518	29,544,095	27,774,242	1,769,853
Support services - students and staff	6,286,082	7,046,082	6,442,738	603,344
Support services - administration	5,531,721	5,973,134	6,169,395	(196,261)
Operation and maintenance of plant services	6,782,432	7,383,803	6,948,831	434,972
Student transportation services	3,062,439	2,838,549	2,507,307	331,242
Operation of non-instructional services	233,736	245,717	227,948	17,769
Total expenditures	<u>52,804,928</u>	<u>53,031,380</u>	<u>50,070,461</u>	<u>2,960,919</u>
Changes in fund balances	<u>(52,804,928)</u>	<u>(53,031,380)</u>	<u>(4,172,333)</u>	<u>48,859,047</u>
Fund balances, beginning of year			7,314,986	7,314,986
Increase (decrease) in reserve for inventory			6,432	6,432
Fund balances (deficits), end of year	<u>\$ (52,804,928)</u>	<u>\$ (53,031,380)</u>	<u>\$ 3,149,085</u>	<u>\$ 56,180,465</u>

See accompanying notes to this schedule.

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
ARIZONA STATE RETIREMENT SYSTEM
LAST FIVE FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Measurement date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension (assets) liability	0.32%	0.29%	0.24%	0.22%	0.23%
District's proportionate share of the net pension (assets) liability	\$ 45,190,782	\$ 44,969,159	\$ 39,471,213	\$ 34,990,643	\$ 33,722,771
District's covered payroll	\$ 31,968,101	\$ 27,511,772	\$ 22,275,410	\$ 20,090,009	\$ 20,007,486
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	141.36%	163.45%	177.20%	174.17%	168.55%
Plan fiduciary net position as a percentage of the total pension liability	73.40%	69.92%	67.06%	68.35%	69.49%

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 4,195,416	\$ 3,484,523	\$ 2,965,769	\$ 2,416,882	\$ 2,187,802
Contributions in relation to the actuarially determined contribution	<u>4,195,416</u>	<u>3,484,523</u>	<u>2,965,769</u>	<u>2,416,882</u>	<u>2,187,802</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 37,526,082	\$ 31,968,101	\$ 27,511,772	\$ 22,275,410	\$ 20,090,009
Contributions as a percentage of covered payroll	11.18%	10.90%	10.78%	10.85%	10.89%

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

See accompanying notes to this schedule.

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
ARIZONA STATE RETIREMENT SYSTEM - HEALTH INSURANCE PREMIUM
LAST TWO FISCAL YEARS

	<u>2019</u>	<u>2018</u>
Measurement date	June 30, 2018	June 30, 2017
District's proportion of the net OPEB (assets) liability	0.33%	0.29%
District's proportionate share of the net OPEB (assets) liability	\$ (117,137)	\$ (157,261)
District's covered payroll	\$ 31,968,101	\$ 27,511,772
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	-0.37%	-0.57%
Plan fiduciary net position as a percentage of the total OPEB liability	102.20%	103.57%

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

	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 169,356	\$ 140,660
Contributions in relation to the actuarially determined contribution	<u>169,356</u>	<u>140,660</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 37,526,082	\$ 31,968,101
Contributions as a percentage of covered payroll	0.46%	0.44%

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

See accompanying notes to this schedule.

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
ARIZONA STATE RETIREMENT SYSTEM - LONG-TERM DISABILITY
LAST TWO FISCAL YEARS

	<u>2019</u>	<u>2018</u>
Measurement date	June 30, 2018	June 30, 2017
District's proportion of the net OPEB (assets) liability	0.33%	0.29%
District's proportionate share of the net OPEB (assets) liability	\$ 169,584	\$ 104,553
District's covered payroll	\$ 31,968,101	\$ 27,511,772
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	0.53%	0.38%
Plan fiduciary net position as a percentage of the total OPEB liability	77.83%	84.44%

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

	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 61,584	\$ 51,149
Contributions in relation to the actuarially determined contribution	61,584	51,149
Contribution deficiency (excess)	\$	\$
District's covered payroll	\$ 37,526,082	\$ 31,968,101
Contributions as a percentage of covered payroll	0.16%	0.16%

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

See accompanying notes to this schedule.

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2019

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

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

- Certain activities reported in the General Fund are budgeted in separate funds in accordance with Arizona Revised Statutes.
- Insurance expenditures for employee health insurance are budgeted in the year paid.

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	\$ 51,665,203	\$ 7,939,284
Activity budgeted as special revenue funds	(1,466,212)	(2,299,438)
Insurance Fund Withholding Activity	(128,530)	(2,490,761)
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	\$ 50,070,461	\$ 3,149,085

NOTE 2 – PENSION AND OPEB PLAN SCHEDULES

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

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

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

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GOVERNMENTAL FUNDS

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2019

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<u>ASSETS</u>			
Cash and investments	\$ 5,228,972	\$ 1,189,758	\$ 6,418,730
Deposits	41,354		41,354
Property taxes receivable		128,798	128,798
Due from governmental entities	2,426,438		2,426,438
Due from other funds	1,120,669		1,120,669
Inventory	236,451		236,451
Total assets	<u>\$ 9,053,884</u>	<u>\$ 1,318,556</u>	<u>\$ 10,372,440</u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 173,760	\$	\$ 173,760
Construction contracts payable		193,257	193,257
Due to other funds	1,120,669		1,120,669
Accrued payroll and employee benefits	438,322		438,322
Unearned revenues	73,806		73,806
Total liabilities	<u>1,806,557</u>	<u>193,257</u>	<u>1,999,814</u>
Deferred inflows of resources:			
Unavailable revenues - property taxes		128,798	128,798
Unavailable revenues - intergovernmental	133,431		133,431
Total deferred inflows of resources	<u>133,431</u>	<u>128,798</u>	<u>262,229</u>
Fund balances (deficits):			
Nonspendable	236,451		236,451
Restricted	7,010,876	1,046,495	8,057,371
Unassigned	(133,431)	(49,994)	(183,425)
Total fund balances	<u>7,113,896</u>	<u>996,501</u>	<u>8,110,397</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 9,053,884</u>	 <u>\$ 1,318,556</u>	 <u>\$ 10,372,440</u>

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
YEAR ENDED JUNE 30, 2019

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:			
Other local	\$ 5,415,947	\$ 260,932	\$ 5,676,879
Property taxes		1,000,000	1,000,000
State aid and grants	4,497,823	5,447,314	9,945,137
Federal aid, grants and reimbursements	4,842,139		4,842,139
Total revenues	<u>14,755,909</u>	<u>6,708,246</u>	<u>21,464,155</u>
Expenditures:			
Current -			
Instruction	5,688,005		5,688,005
Support services - students and staff	1,423,664		1,423,664
Support services - administration	584,791		584,791
Operation and maintenance of plant services	206,807		206,807
Student transportation services	457,610		457,610
Operation of non-instructional services	4,083,614		4,083,614
Capital outlay	458,873	3,757,882	4,216,755
Debt service -			
Interest and fiscal charges		596,300	596,300
Total expenditures	<u>12,903,364</u>	<u>4,354,182</u>	<u>17,257,546</u>
Excess (deficiency) of revenues over expenditures	<u>1,852,545</u>	<u>2,354,064</u>	<u>4,206,609</u>
Other financing sources (uses):			
Transfers out	(346,946)		(346,946)
Total other financing sources (uses)	<u>(346,946)</u>		<u>(346,946)</u>
Changes in fund balances	<u>1,505,599</u>	<u>2,354,064</u>	<u>3,859,663</u>
Fund balances (deficits), beginning of year	5,609,643	(1,357,563)	4,252,080
Increase (decrease) in reserve for inventory	(1,346)		(1,346)
Fund balances, end of year	<u>\$ 7,113,896</u>	<u>\$ 996,501</u>	<u>\$ 8,110,397</u>

SPECIAL REVENUE FUNDS

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

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

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

Student Success - to account for student success monies.

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

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

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

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

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

Adult Education - to account for financial assistance received from the federal government for adult education programs.

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

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

E-Rate - to account for financial assistance received for broadband internet and telecommunication costs.

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

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

Adult Basic Education - to account for state financial assistance for continuous adult education.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2019

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>County, City, and Town Grants</u>
<u>ASSETS</u>			
Cash and investments	\$ 1,931,581	\$ 300,249	\$ 5,483
Deposits			
Due from governmental entities	599,796	139,022	
Due from other funds			
Inventory			
Total assets	<u><u>\$ 2,531,377</u></u>	<u><u>\$ 439,271</u></u>	<u><u>\$ 5,483</u></u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			
Accrued payroll and employee benefits	109,038		
Unearned revenues			
Total liabilities	<u>109,038</u>		
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Nonspendable			
Restricted	2,422,339	439,271	5,483
Unassigned			
Total fund balances	<u>2,422,339</u>	<u>439,271</u>	<u>5,483</u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 2,531,377</u></u>	<u><u>\$ 439,271</u></u>	<u><u>\$ 5,483</u></u>

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English & Immigrant Students</u>	<u>Special Education Grants</u>	<u>Adult Education</u>
\$	\$	\$	\$	\$	\$
733,504	101,827	17,255	2,916	299,922	17,669
<u>\$ 733,504</u>	<u>\$ 101,827</u>	<u>\$ 17,255</u>	<u>\$ 2,916</u>	<u>\$ 299,922</u>	<u>\$ 17,669</u>
\$ 11,781 660,058 61,665	\$ 101,827	\$ 17,255	\$ 2,916	\$ 276,964 22,958	\$ 17,669
<u>733,504</u>	<u>101,827</u>	<u>17,255</u>	<u>2,916</u>	<u>299,922</u>	<u>17,669</u>
<u>18,367</u>	<u>44,091</u>	<u>12,258</u>		<u>13,503</u>	<u>17,669</u>
<u>(18,367)</u>	<u>(44,091)</u>	<u>(12,258)</u>		<u>(13,503)</u>	<u>(17,669)</u>
<u>(18,367)</u>	<u>(44,091)</u>	<u>(12,258)</u>		<u>(13,503)</u>	<u>(17,669)</u>
<u>\$ 733,504</u>	<u>\$ 101,827</u>	<u>\$ 17,255</u>	<u>\$ 2,916</u>	<u>\$ 299,922</u>	<u>\$ 17,669</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2019

	<u>Vocational Education</u>	<u>E-Rate</u>	<u>Other Federal Projects</u>
<u>ASSETS</u>			
Cash and investments	\$	\$ 105,815	\$
Deposits			
Due from governmental entities	33,517	20,272	26,421
Due from other funds			
Inventory			
Total assets	<u>\$ 33,517</u>	<u>\$ 126,087</u>	<u>\$ 26,421</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 15,958	\$ 30,301	\$
Due to other funds	17,559		26,421
Accrued payroll and employee benefits			
Unearned revenues			
Total liabilities	<u>33,517</u>	<u>30,301</u>	<u>26,421</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>1,122</u>		<u>26,421</u>
Fund balances (deficits):			
Nonspendable			
Restricted		95,786	
Unassigned	(1,122)		(26,421)
Total fund balances	<u>(1,122)</u>	<u>95,786</u>	<u>(26,421)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 33,517</u>	<u>\$ 126,087</u>	<u>\$ 26,421</u>

<u>State Vocational Education</u>	<u>Early Childhood Block Grant</u>	<u>Adult Basic Education</u>	<u>College Credit Exam Incentives</u>	<u>Results-based Funding</u>	<u>Other State Projects</u>
\$ 528	\$ 55	\$ 591	\$ 7,418	\$ 253,110	\$ 22,264
<u>\$ 528</u>	<u>\$ 55</u>	<u>\$ 591</u>	<u>\$ 7,418</u>	<u>\$ 253,110</u>	<u>\$ 22,264</u>
					\$ 21,425
				15,272	
<u>528</u>	<u>55</u>	<u>591</u>			<u>839</u>
<u>528</u>	<u>55</u>	<u>591</u>		<u>15,272</u>	<u>22,264</u>
			7,418	237,838	
			<u>7,418</u>	<u>237,838</u>	
<u>\$ 528</u>	<u>\$ 55</u>	<u>\$ 591</u>	<u>\$ 7,418</u>	<u>\$ 253,110</u>	<u>\$ 22,264</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2019

	<u>Food Service</u>	<u>Civic Center</u>	<u>Community School</u>
<u>ASSETS</u>			
Cash and investments	\$ 15,498	\$ 817,077	\$ 1,127,575
Deposits	41,354		
Due from governmental entities	20,739		
Due from other funds	932,019	188,650	
Inventory	236,451		
Total assets	<u><u>\$ 1,246,061</u></u>	<u><u>\$ 1,005,727</u></u>	<u><u>\$ 1,127,575</u></u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 12,468	\$	\$ 17,506
Due to other funds			
Accrued payroll and employee benefits	15,498	27,034	138,837
Unearned revenues	71,793		
Total liabilities	<u><u>99,759</u></u>	<u><u>27,034</u></u>	<u><u>156,343</u></u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	_____	_____	_____
Fund balances (deficits):			
Nonspendable	236,451		
Restricted	909,851	978,693	971,232
Unassigned			
Total fund balances	<u><u>1,146,302</u></u>	<u><u>978,693</u></u>	<u><u>971,232</u></u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 1,246,061</u></u>	<u><u>\$ 1,005,727</u></u>	<u><u>\$ 1,127,575</u></u>

<u>Extracurricular Activities Fees Tax Credit</u>	<u>Career, Technical and Vocational Education Projects</u>	<u>Fingerprint</u>	<u>Textbooks</u>	<u>Grants and Gifts to Teachers</u>	<u>Career Technical Education</u>
\$ 212,116	\$ 1,803	\$ 8,599	\$ 2,504	\$ 595	\$ 416,111
					413,578
<u>\$ 212,116</u>	<u>\$ 1,803</u>	<u>\$ 8,599</u>	<u>\$ 2,504</u>	<u>\$ 595</u>	<u>\$ 829,689</u>
					\$ 64,321
					48,020
					<u>112,341</u>
212,116	1,803	8,599	2,504	595	717,348
<u>212,116</u>	<u>1,803</u>	<u>8,599</u>	<u>2,504</u>	<u>595</u>	<u>717,348</u>
<u>\$ 212,116</u>	<u>\$ 1,803</u>	<u>\$ 8,599</u>	<u>\$ 2,504</u>	<u>\$ 595</u>	<u>\$ 829,689</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2019

	Totals
<u>ASSETS</u>	
Cash and investments	\$ 5,228,972
Deposits	41,354
Due from governmental entities	2,426,438
Due from other funds	1,120,669
Inventory	236,451
Total assets	\$ 9,053,884
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES</u>	
<u>AND FUND BALANCES</u>	
Liabilities:	
Accounts payable	\$ 173,760
Due to other funds	1,120,669
Accrued payroll and employee benefits	438,322
Unearned revenues	73,806
Total liabilities	1,806,557
Deferred inflows of resources:	
Unavailable revenues - intergovernmental	133,431
Fund balances (deficits):	
Nonspendable	236,451
Restricted	7,010,876
Unassigned	(133,431)
Total fund balances	7,113,896
 Total liabilities, deferred inflows of resources and fund balances	 \$ 9,053,884

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QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>County, City, and Town Grants</u>
Revenues:			
Other local	\$ 47,783	\$ 8,099	\$ 25
State aid and grants	3,598,780	312,468	
Federal aid, grants and reimbursements			
Total revenues	<u>3,646,563</u>	<u>320,567</u>	<u>25</u>
Expenditures:			
Current -			
Instruction	3,059,058	170,250	
Support services - students and staff		119,720	270
Support services - administration		69,767	
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		5,539	
Total expenditures	<u>3,059,058</u>	<u>365,276</u>	<u>270</u>
Excess (deficiency) of revenues over expenditures	<u>587,505</u>	<u>(44,709)</u>	<u>(245)</u>
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)	<u> </u>	<u> </u>	<u> </u>
Changes in fund balances	<u>587,505</u>	<u>(44,709)</u>	<u>(245)</u>
Fund balances (deficits), beginning of year	1,834,834	483,980	5,728
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ 2,422,339</u>	<u>\$ 439,271</u>	<u>\$ 5,483</u>

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English & Immigrant Students</u>	<u>Special Education Grants</u>	<u>Adult Education</u>
\$	\$	\$	\$	\$	\$
<u>1,268,632</u>	<u>106,283</u>	<u>8,422</u>	<u>16,663</u>	<u>1,577,880</u>	<u>188,040</u>
<u>1,268,632</u>	<u>106,283</u>	<u>8,422</u>	<u>16,663</u>	<u>1,577,880</u>	<u>188,040</u>
408,797		10,928	957	502,298	148,359
406,293	51,174		11,029	311,494	13,518
229,070	36,335	4,490	140	3,347	17,132
249					
				212,001	
<u>12,030</u>	<u>8,255</u>				
<u>1,056,439</u>	<u>95,764</u>	<u>15,418</u>	<u>12,126</u>	<u>1,029,140</u>	<u>179,009</u>
<u>212,193</u>	<u>10,519</u>	<u>(6,996)</u>	<u>4,537</u>	<u>548,740</u>	<u>9,031</u>
<u>(55,880)</u>	<u>(10,251)</u>	<u>(1,836)</u>	<u>(37)</u>	<u>(14,500)</u>	<u>(8,058)</u>
<u>(55,880)</u>	<u>(10,251)</u>	<u>(1,836)</u>	<u>(37)</u>	<u>(14,500)</u>	<u>(8,058)</u>
<u>156,313</u>	<u>268</u>	<u>(8,832)</u>	<u>4,500</u>	<u>534,240</u>	<u>973</u>
<u>(174,680)</u>	<u>(44,359)</u>	<u>(3,426)</u>	<u>(4,500)</u>	<u>(547,743)</u>	<u>(18,642)</u>
<u>\$ (18,367)</u>	<u>\$ (44,091)</u>	<u>\$ (12,258)</u>	<u>\$</u>	<u>\$ (13,503)</u>	<u>\$ (17,669)</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Vocational Education	E-Rate	Other Federal Projects
Revenues:			
Other local	\$	\$ 1,571	\$
State aid and grants			
Federal aid, grants and reimbursements	78,760	166,117	103,046
Total revenues	78,760	167,688	103,046
Expenditures:			
Current -			
Instruction	17,079		22,149
Support services - students and staff			72,545
Support services - administration		109,035	12,686
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	53,422	25,795	
Total expenditures	70,501	134,830	107,380
Excess (deficiency) of revenues over expenditures	8,259	32,858	(4,334)
Other financing sources (uses):			
Transfers out	(2,014)		(4,370)
Total other financing sources (uses)	(2,014)		(4,370)
Changes in fund balances	6,245	32,858	(8,704)
Fund balances (deficits), beginning of year	(7,367)	62,928	(17,717)
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (1,122)	\$ 95,786	\$ (26,421)

<u>State Vocational Education</u>	<u>Adult Basic Education</u>	<u>Gifted</u>	<u>College Credit Exam Incentives</u>	<u>Results-based Funding</u>	<u>Other State Projects</u>
\$ 52,892	\$ 121,664	\$ 5,728	\$ 10,989	\$ 288,077	\$ 107,225
<u>52,892</u>	<u>121,664</u>	<u>5,728</u>	<u>10,989</u>	<u>288,077</u>	<u>107,225</u>
2,980	53,120		9,871	138,503	
21,232	62,067	5,728			
1,375	6,477			2,607	85,800
<u>27,305</u>	<u>121,664</u>	<u>5,728</u>	<u>9,871</u>	<u>109,383</u>	<u>85,800</u>
<u>52,892</u>				<u>250,493</u>	<u>21,425</u>
			<u>1,118</u>	<u>37,584</u>	
			<u>1,118</u>	<u>37,584</u>	<u>21,425</u>
			6,300	200,254	(21,425)
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 7,418</u>	<u>\$ 237,838</u>	<u>\$</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	<u>Food Service</u>	<u>Civic Center</u>	<u>Community School</u>
Revenues:			
Other local	\$ 1,744,820	\$ 526,935	\$ 1,893,101
State aid and grants			
Federal aid, grants and reimbursements	1,328,296		
Total revenues	<u>3,073,116</u>	<u>526,935</u>	<u>1,893,101</u>
Expenditures:			
Current -			
Instruction	18	10,905	396,440
Support services - students and staff		11,463	75,219
Support services - administration	1,520	28,531	7,642
Operation and maintenance of plant services		74,587	32,051
Student transportation services		107,759	12,128
Operation of non-instructional services	2,596,913	24,462	1,444,573
Capital outlay	46,670	46,677	35,561
Total expenditures	<u>2,645,121</u>	<u>304,384</u>	<u>2,003,614</u>
Excess (deficiency) of revenues over expenditures	<u>427,995</u>	<u>222,551</u>	<u>(110,513)</u>
Other financing sources (uses):			
Transfers out	(250,000)		
Total other financing sources (uses)	<u>(250,000)</u>		
Changes in fund balances	<u>177,995</u>	<u>222,551</u>	<u>(110,513)</u>
Fund balances (deficits), beginning of year	969,653	756,142	1,081,745
Increase (decrease) in reserve for inventory	(1,346)		
Fund balances, end of year	<u>\$ 1,146,302</u>	<u>\$ 978,693</u>	<u>\$ 971,232</u>

Extracurricular Activities Fees Tax Credit	Career, Technical and Vocational Education Projects	Fingerprint	Textbooks	Grants and Gifts to Teachers	Career Technical Education
\$ 319,793	\$	\$ 2,401	\$ 18	\$	\$ 871,401
<u>319,793</u>		<u>2,401</u>	<u>18</u>		<u>871,401</u>
122,555					613,738
75,048					186,864
					58,619
84,109					10,138
17,666					41,613
16,128					72,108
<u>315,506</u>					<u>983,080</u>
<u>4,287</u>		<u>2,401</u>	<u>18</u>		<u>(111,679)</u>
<u>4,287</u>		<u>2,401</u>	<u>18</u>		<u>(111,679)</u>
207,829	1,803	6,198	2,486	595	829,027
<u>\$ 212,116</u>	<u>\$ 1,803</u>	<u>\$ 8,599</u>	<u>\$ 2,504</u>	<u>\$ 595</u>	<u>\$ 717,348</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Totals
Revenues:	
Other local	\$ 5,415,947
State aid and grants	4,497,823
Federal aid, grants and reimbursements	4,842,139
Total revenues	14,755,909
Expenditures:	
Current -	
Instruction	5,688,005
Support services - students and staff	1,423,664
Support services - administration	584,791
Operation and maintenance of plant services	206,807
Student transportation services	457,610
Operation of non-instructional services	4,083,614
Capital outlay	458,873
Total expenditures	12,903,364
Excess (deficiency) of revenues over expenditures	1,852,545
Other financing sources (uses):	
Transfers out	(346,946)
Total other financing sources (uses)	(346,946)
Changes in fund balances	1,505,599
Fund balances (deficits), beginning of year	5,609,643
Increase (decrease) in reserve for inventory	(1,346)
Fund balances, end of year	\$ 7,113,896

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QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 47,783	\$ 47,783
State aid and grants		3,598,780	3,598,780
Federal aid, grants and reimbursements			
Total revenues	5,332,845	3,646,563	3,646,563
Expenditures:			
Current -			
Instruction	5,332,845	3,059,058	2,273,787
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	5,332,845	3,059,058	2,273,787
Excess (deficiency) of revenues over expenditures	(5,332,845)	587,505	5,920,350
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	(5,332,845)	587,505	5,920,350
Fund balances (deficits), beginning of year		1,834,834	1,834,834
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (5,332,845)	\$ 2,422,339	\$ 7,755,184

Instructional Improvement			County, City, and Town Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 8,099	\$ 8,099	\$	\$ 25	\$ 25
	312,468	312,468			
	<u>320,567</u>	<u>320,567</u>		<u>25</u>	<u>25</u>
720,000	170,250	549,750			
	119,720	(119,720)	10,000	270	9,730
	69,767	(69,767)			
	5,539	(5,539)			
<u>720,000</u>	<u>365,276</u>	<u>354,724</u>	<u>10,000</u>	<u>270</u>	<u>9,730</u>
<u>(720,000)</u>	<u>(44,709)</u>	<u>675,291</u>	<u>(10,000)</u>	<u>(245)</u>	<u>9,755</u>
<u>(720,000)</u>	<u>(44,709)</u>	<u>675,291</u>	<u>(10,000)</u>	<u>(245)</u>	<u>9,755</u>
	483,980	483,980		5,728	5,728
<u>\$ (720,000)</u>	<u>\$ 439,271</u>	<u>\$ 1,159,271</u>	<u>\$ (10,000)</u>	<u>\$ 5,483</u>	<u>\$ 15,483</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Student Success		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues			
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures			
Excess (deficiency) of revenues over expenditures			
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances			
Fund balances (deficits), beginning of year		458	458
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$	\$ 458	\$ 458

Title I Grants			Professional Development and Technology Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	1,268,632	1,268,632		106,283	106,283
	1,268,632	1,268,632		106,283	106,283
1,360,646	408,797	951,849			
1,360,647	406,293	954,354	252,351	51,174	201,177
	229,070	(229,070)		36,335	(36,335)
	249	(249)			
	12,030	(12,030)		8,255	(8,255)
2,721,293	1,056,439	1,664,854	252,351	95,764	156,587
(2,721,293)	212,193	2,933,486	(252,351)	10,519	262,870
	(55,880)	(55,880)		(10,251)	(10,251)
	(55,880)	(55,880)		(10,251)	(10,251)
(2,721,293)	156,313	2,877,606	(252,351)	268	252,619
	(174,680)	(174,680)		(44,359)	(44,359)
\$ (2,721,293)	\$ (18,367)	\$ 2,702,926	\$ (252,351)	\$ (44,091)	\$ 208,260

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Title IV Grants		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		8,422	8,422
Total revenues		<u>8,422</u>	<u>8,422</u>
Expenditures:			
Current -			
Instruction	4,043	10,928	(6,885)
Support services - students and staff			
Support services - administration		4,490	(4,490)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>4,043</u>	<u>15,418</u>	<u>(11,375)</u>
Excess (deficiency) of revenues over expenditures	<u>(4,043)</u>	<u>(6,996)</u>	<u>(2,953)</u>
Other financing sources (uses):			
Transfers in			
Transfers out		(1,836)	(1,836)
Insurance recoveries			
Total other financing sources (uses)		<u>(1,836)</u>	<u>(1,836)</u>
Changes in fund balances	<u>(4,043)</u>	<u>(8,832)</u>	<u>(4,789)</u>
Fund balances (deficits), beginning of year		(3,426)	(3,426)
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (4,043)</u>	<u>\$ (12,258)</u>	<u>\$ (8,215)</u>

<u>Limited English & Immigrant Students</u>			<u>Special Education Grants</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
\$	\$	\$	\$	\$	\$
	16,663	16,663		1,577,880	1,577,880
	16,663	16,663		1,577,880	1,577,880
	957	(957)	1,052,936	502,298	550,638
30,350	11,029	19,321		311,494	(311,494)
	140	(140)		3,347	(3,347)
				212,001	(212,001)
<u>30,350</u>	<u>12,126</u>	<u>18,224</u>	<u>1,052,936</u>	<u>1,029,140</u>	<u>23,796</u>
<u>(30,350)</u>	<u>4,537</u>	<u>34,887</u>	<u>(1,052,936)</u>	<u>548,740</u>	<u>1,601,676</u>
	(37)	(37)		(14,500)	(14,500)
	(37)	(37)		(14,500)	(14,500)
<u>(30,350)</u>	<u>4,500</u>	<u>34,850</u>	<u>(1,052,936)</u>	<u>534,240</u>	<u>1,587,176</u>
	(4,500)	(4,500)		(547,743)	(547,743)
<u>\$ (30,350)</u>	<u>\$</u>	<u>\$ 30,350</u>	<u>\$ (1,052,936)</u>	<u>\$ (13,503)</u>	<u>\$ 1,039,433</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Adult Education		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		188,040	188,040
Total revenues		188,040	188,040
Expenditures:			
Current -			
Instruction	196,331	148,359	47,972
Support services - students and staff		13,518	(13,518)
Support services - administration		17,132	(17,132)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	196,331	179,009	17,322
Excess (deficiency) of revenues over expenditures	(196,331)	9,031	205,362
Other financing sources (uses):			
Transfers in			
Transfers out		(8,058)	(8,058)
Insurance recoveries			
Total other financing sources (uses)		(8,058)	(8,058)
Changes in fund balances	(196,331)	973	197,304
Fund balances (deficits), beginning of year		(18,642)	(18,642)
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (196,331)	\$ (17,669)	\$ 178,662

Vocational Education			Medicaid Reimbursement		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 780	\$ 780
	78,760	78,760		107,960	107,960
	78,760	78,760		108,740	108,740
126,783	17,079	109,704		4,311	(4,311)
				46,329	(46,329)
			350,000	77,262	272,738
				4,141	(4,141)
	53,422	(53,422)		23,891	(23,891)
126,783	70,501	56,282	350,000	155,934	194,066
(126,783)	8,259	135,042	(350,000)	(47,194)	302,806
	(2,014)	(2,014)			
	(2,014)	(2,014)			
(126,783)	6,245	133,028	(350,000)	(47,194)	302,806
	(7,367)	(7,367)		247,271	247,271
\$ (126,783)	\$ (1,122)	\$ 125,661	\$ (350,000)	\$ 200,077	\$ 550,077

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	E-Rate		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 1,571	\$ 1,571
State aid and grants			
Federal aid, grants and reimbursements		166,117	166,117
Total revenues		<u>167,688</u>	<u>167,688</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration	315,000	109,035	205,965
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		25,795	(25,795)
Total expenditures	<u>315,000</u>	<u>134,830</u>	<u>180,170</u>
Excess (deficiency) of revenues over expenditures	<u>(315,000)</u>	<u>32,858</u>	<u>347,858</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	<u>(315,000)</u>	<u>32,858</u>	<u>347,858</u>
Fund balances (deficits), beginning of year		62,928	62,928
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (315,000)</u>	<u>\$ 95,786</u>	<u>\$ 410,786</u>

Other Federal Projects			State Vocational Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	103,046	103,046		52,892	52,892
	103,046	103,046		52,892	52,892
152,580	22,149	(22,149)		2,980	(2,980)
	72,545	80,035	52,891	21,232	31,659
	12,686	(12,686)		1,375	(1,375)
				27,305	(27,305)
152,580	107,380	45,200	52,891	52,892	(1)
(152,580)	(4,334)	148,246	(52,891)		52,891
	(4,370)	(4,370)			
	(4,370)	(4,370)			
(152,580)	(8,704)	143,876	(52,891)		52,891
	(17,717)	(17,717)			
\$ (152,580)	\$ (26,421)	\$ 126,159	\$ (52,891)	\$	\$ 52,891

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Adult Basic Education		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants		121,664	121,664
Federal aid, grants and reimbursements			
Total revenues		121,664	121,664
Expenditures:			
Current -			
Instruction		53,120	(53,120)
Support services - students and staff	121,665	62,067	59,598
Support services - administration		6,477	(6,477)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	121,665	121,664	1
Excess (deficiency) of revenues over expenditures	(121,665)		121,665
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	(121,665)		121,665
Fund balances (deficits), beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (121,665)	\$	\$ 121,665

<u>Gifted</u>			<u>College Credit Exam Incentives</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
\$	\$	\$	\$	\$	\$
	5,728	5,728		10,989	10,989
	<u>5,728</u>	<u>5,728</u>		<u>10,989</u>	<u>10,989</u>
5,683	5,728	(45)	6,300	9,871	(3,571)
<u>5,683</u>	<u>5,728</u>	<u>(45)</u>	<u>6,300</u>	<u>9,871</u>	<u>(3,571)</u>
<u>(5,683)</u>		<u>5,683</u>	<u>(6,300)</u>	<u>1,118</u>	<u>7,418</u>
<u>(5,683)</u>		<u>5,683</u>	<u>(6,300)</u>	<u>1,118</u>	<u>7,418</u>
				6,300	6,300
<u>\$ (5,683)</u>	<u>\$</u>	<u>\$ 5,683</u>	<u>\$ (6,300)</u>	<u>\$ 7,418</u>	<u>\$ 13,718</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Results-based Funding		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants		288,077	288,077
Federal aid, grants and reimbursements			
Total revenues	(545,033)	288,077	288,077
Expenditures:			
Current -			
Instruction	545,033	138,503	406,530
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services		2,607	(2,607)
Student transportation services			
Operation of non-instructional services			
Capital outlay		109,383	(109,383)
Total expenditures	545,033	250,493	294,540
Excess (deficiency) of revenues over expenditures	(545,033)	37,584	582,617
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)	(545,033)	37,584	582,617
Changes in fund balances	(545,033)	37,584	582,617
Fund balances (deficits), beginning of year		200,254	200,254
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (545,033)	\$ 237,838	\$ 782,871

Other State Projects			School Plant		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	107,225	107,225		55,867	55,867
	<u>107,225</u>	<u>107,225</u>		<u>55,867</u>	<u>55,867</u>
85,801	85,800	1	306,218		306,218
<u>85,801</u>	<u>85,800</u>	<u>1</u>	<u>306,218</u>		<u>306,218</u>
<u>(85,801)</u>	<u>21,425</u>	<u>107,226</u>	<u>(306,218)</u>	<u>55,867</u>	<u>362,085</u>
<u>(85,801)</u>	<u>21,425</u>	<u>107,226</u>	<u>(306,218)</u>	<u>55,867</u>	<u>362,085</u>
	(21,425)	(21,425)		266,437	266,437
<u>\$ (85,801)</u>	<u>\$</u>	<u>\$ 85,801</u>	<u>\$ (306,218)</u>	<u>\$ 322,304</u>	<u>\$ 628,522</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Food Service		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 1,744,820	\$ 1,744,820
State aid and grants			
Federal aid, grants and reimbursements		1,328,296	1,328,296
Total revenues		3,073,116	3,073,116
Expenditures:			
Current -			
Instruction		18	(18)
Support services - students and staff			
Support services - administration		1,520	(1,520)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services	2,950,000	2,596,913	353,087
Capital outlay		46,670	(46,670)
Total expenditures	2,950,000	2,645,121	304,879
Excess (deficiency) of revenues over expenditures	(2,950,000)	427,995	3,377,995
Other financing sources (uses):			
Transfers in			
Transfers out		(250,000)	(250,000)
Insurance recoveries			
Total other financing sources (uses)		(250,000)	(250,000)
Changes in fund balances	(2,950,000)	177,995	3,127,995
Fund balances (deficits), beginning of year		969,653	969,653
Increase (decrease) in reserve for inventory		(1,346)	(1,346)
Fund balances (deficits), end of year	\$ (2,950,000)	\$ 1,146,302	\$ 4,096,302

Civic Center			Community School		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 526,935	\$ 526,935	\$	\$ 1,893,101	\$ 1,893,101
	<u>526,935</u>	<u>526,935</u>		<u>1,893,101</u>	<u>1,893,101</u>
	10,905	(10,905)		396,440	(396,440)
	11,463	(11,463)		75,219	(75,219)
	28,531	(28,531)		7,642	(7,642)
	74,587	(74,587)		32,051	(32,051)
600,000	107,759	492,241		12,128	(12,128)
	24,462	(24,462)	2,347,416	1,444,573	902,843
	46,677	(46,677)		35,561	(35,561)
<u>600,000</u>	<u>304,384</u>	<u>295,616</u>	<u>2,347,416</u>	<u>2,003,614</u>	<u>343,802</u>
<u>(600,000)</u>	<u>222,551</u>	<u>822,551</u>	<u>(2,347,416)</u>	<u>(110,513)</u>	<u>2,236,903</u>
<u>(600,000)</u>	<u>222,551</u>	<u>822,551</u>	<u>(2,347,416)</u>	<u>(110,513)</u>	<u>2,236,903</u>
	756,142	756,142		1,081,745	1,081,745
<u>\$ (600,000)</u>	<u>\$ 978,693</u>	<u>\$ 1,578,693</u>	<u>\$ (2,347,416)</u>	<u>\$ 971,232</u>	<u>\$ 3,318,648</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Auxiliary Operations		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 1,245,061	\$ 1,245,061
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		1,245,061	1,245,061
Expenditures:			
Current -			
Instruction	1,185,994	504,522	681,472
Support services - students and staff		162,578	(162,578)
Support services - administration		34,290	(34,290)
Operation and maintenance of plant services		199,878	(199,878)
Student transportation services		134,542	(134,542)
Operation of non-instructional services		83,670	(83,670)
Capital outlay		9,230	(9,230)
Total expenditures	1,185,994	1,128,710	57,284
Excess (deficiency) of revenues over expenditures	(1,185,994)	116,351	1,302,345
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	(1,185,994)	116,351	1,302,345
Fund balances (deficits), beginning of year		887,610	887,610
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (1,185,994)	\$ 1,003,961	\$ 2,189,955

Extracurricular Activities Fees Tax Credit			Gifts and Donations		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 319,793	\$ 319,793	\$	\$ 68,642	\$ 68,642
	<u>319,793</u>	<u>319,793</u>		<u>68,642</u>	<u>68,642</u>
525,000	122,555	402,445	239,039	16,354	222,685
	75,048	(75,048)		5,916	(5,916)
	84,109	(84,109)		2,264	(2,264)
	17,666	(17,666)		4,303	(4,303)
	16,128	(16,128)		1,008	(1,008)
<u>525,000</u>	<u>315,506</u>	<u>209,494</u>	<u>239,039</u>	<u>7,812</u>	<u>(7,812)</u>
				<u>37,657</u>	<u>201,382</u>
<u>(525,000)</u>	<u>4,287</u>	<u>529,287</u>	<u>(239,039)</u>	<u>30,985</u>	<u>270,024</u>
<u>(525,000)</u>	<u>4,287</u>	<u>529,287</u>	<u>(239,039)</u>	<u>30,985</u>	<u>270,024</u>
	207,829	207,829		191,667	191,667
<u>\$ (525,000)</u>	<u>\$ 212,116</u>	<u>\$ 737,116</u>	<u>\$ (239,039)</u>	<u>\$ 222,652</u>	<u>\$ 461,691</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	<u>Career, Technical and Vocational Education Projects</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues			
Expenditures:			
Current -			
Instruction	1,800		1,800
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	1,800		1,800
Excess (deficiency) of revenues over expenditures	(1,800)		1,800
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	(1,800)		1,800
Fund balances (deficits), beginning of year		1,803	1,803
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (1,800)	\$ 1,803	\$ 3,603

Fingerprint			Insurance Proceeds		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 2,401	\$ 2,401	\$	\$ 76,385	\$ 76,385
	<u>2,401</u>	<u>2,401</u>		<u>76,385</u>	<u>76,385</u>
8,211		8,211			
				7,000	(7,000)
			104,928	15,135	89,793
			<u>104,929</u>	<u>15,180</u>	<u>89,749</u>
<u>8,211</u>	<u></u>	<u>8,211</u>	<u>209,857</u>	<u>37,315</u>	<u>172,542</u>
<u>(8,211)</u>	<u>2,401</u>	<u>10,612</u>	<u>(209,857)</u>	<u>39,070</u>	<u>248,927</u>
				42,277	42,277
				<u>42,277</u>	<u>42,277</u>
<u>(8,211)</u>	<u>2,401</u>	<u>10,612</u>	<u>(209,857)</u>	<u>81,347</u>	<u>291,204</u>
	6,198	6,198		93,392	93,392
<u>\$ (8,211)</u>	<u>\$ 8,599</u>	<u>\$ 16,810</u>	<u>\$ (209,857)</u>	<u>\$ 174,739</u>	<u>\$ 384,596</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Textbooks		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 18	\$ 18
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>18</u>	<u>18</u>
Expenditures:			
Current -			
Instruction	2,799		2,799
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>2,799</u>		<u>2,799</u>
Excess (deficiency) of revenues over expenditures	<u>(2,799)</u>	<u>18</u>	<u>2,817</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	<u>(2,799)</u>	<u>18</u>	<u>2,817</u>
Fund balances (deficits), beginning of year		2,486	2,486
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (2,799)</u>	<u>\$ 2,504</u>	<u>\$ 5,303</u>

Litigation Recovery			Indirect Costs		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 12,001	\$ 12,001	\$	\$ 46	\$ 46
	<u>12,001</u>	<u>12,001</u>		<u>46</u>	<u>46</u>
30,958	2,882	28,076	140,723	103,250	37,473
<u>30,958</u>	<u>2,882</u>	<u>28,076</u>	<u>140,723</u>	<u>103,250</u>	<u>37,473</u>
<u>(30,958)</u>	<u>9,119</u>	<u>40,077</u>	<u>(140,723)</u>	<u>(103,204)</u>	<u>37,519</u>
				346,946	346,946
				<u>346,946</u>	<u>346,946</u>
<u>(30,958)</u>	<u>9,119</u>	<u>40,077</u>	<u>(140,723)</u>	<u>243,742</u>	<u>384,465</u>
	22,665	22,665		96,065	96,065
<u>\$ (30,958)</u>	<u>\$ 31,784</u>	<u>\$ 62,742</u>	<u>\$ (140,723)</u>	<u>\$ 339,807</u>	<u>\$ 480,530</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Grants and Gifts to Teachers		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues			
Expenditures:			
Current -			
Instruction	135		135
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	135		135
Excess (deficiency) of revenues over expenditures	(135)		135
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	(135)		135
Fund balances (deficits), beginning of year		595	595
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (135)	\$ 595	\$ 730

Advertisement			Career Technical Education		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 22	\$ 22	\$	\$ 871,401	\$ 871,401
	<u>22</u>	<u>22</u>		<u>871,401</u>	<u>871,401</u>
5,500	464	5,036	1,271,206	613,738	657,468
				186,864	(186,864)
				58,619	(58,619)
				10,138	(10,138)
				41,613	(41,613)
				<u>72,108</u>	<u>(72,108)</u>
<u>5,500</u>	<u>464</u>	<u>5,036</u>	<u>1,271,206</u>	<u>983,080</u>	<u>288,126</u>
<u>(5,500)</u>	<u>(442)</u>	<u>5,058</u>	<u>(1,271,206)</u>	<u>(111,679)</u>	<u>1,159,527</u>
<u>(5,500)</u>	<u>(442)</u>	<u>5,058</u>	<u>(1,271,206)</u>	<u>(111,679)</u>	<u>1,159,527</u>
	4,098	4,098		829,027	829,027
<u>\$ (5,500)</u>	<u>\$ 3,656</u>	<u>\$ 9,156</u>	<u>\$ (1,271,206)</u>	<u>\$ 717,348</u>	<u>\$ 1,988,554</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 6,874,751	\$ 6,874,751
State aid and grants		4,497,823	4,497,823
Federal aid, grants and reimbursements		4,950,099	4,950,099
Total revenues		<u>16,322,673</u>	<u>16,322,673</u>
Expenditures:			
Current -			
Instruction	12,579,101	6,213,192	6,365,909
Support services - students and staff	2,017,125	1,641,369	375,756
Support services - administration	811,223	809,321	1,902
Operation and maintenance of plant services	496,947	425,961	70,986
Student transportation services	600,000	596,455	3,545
Operation of non-instructional services	5,297,416	4,168,292	1,129,124
Capital outlay	104,929	514,986	(410,057)
Total expenditures	<u>21,906,741</u>	<u>14,369,576</u>	<u>7,537,165</u>
Excess (deficiency) of revenues over expenditures	<u>(21,906,741)</u>	<u>1,953,097</u>	<u>23,859,838</u>
Other financing sources (uses):			
Transfers in		346,946	346,946
Transfers out		(346,946)	(346,946)
Insurance recoveries		42,277	42,277
Total other financing sources (uses)		<u>42,277</u>	<u>42,277</u>
Changes in fund balances	<u>(21,906,741)</u>	<u>1,995,374</u>	<u>23,902,115</u>
Fund balances (deficits), beginning of year		7,419,306	7,419,306
Increase (decrease) in reserve for inventory		(1,346)	(1,346)
Fund balances (deficits), end of year	<u>\$ (21,906,741)</u>	<u>\$ 9,413,334</u>	<u>\$ 31,320,075</u>

DEBT SERVICE FUND

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2019

	Debt Service		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 167,208	\$ 167,208
Property taxes		9,410,578	9,410,578
Federal aid, grants and reimbursements		114,306	114,306
Total revenues		<u>9,692,092</u>	<u>9,692,092</u>
Expenditures:			
Debt service -			
Principal retirement	5,610,000	5,610,000	
Interest and fiscal charges	4,072,813	4,309,909	(237,096)
Total expenditures	<u>9,682,813</u>	<u>9,919,909</u>	<u>(237,096)</u>
Excess (deficiency) of revenues over expenditures	<u>(9,682,813)</u>	<u>(227,817)</u>	<u>9,454,996</u>
Other financing sources (uses):			
Transfers in		876,843	876,843
Total other financing sources (uses)		<u>876,843</u>	<u>876,843</u>
Changes in fund balances	<u>(9,682,813)</u>	<u>649,026</u>	<u>10,331,839</u>
Fund balances, beginning of year		724,612	724,612
Fund balances (deficits), end of year	<u>\$ (9,682,813)</u>	<u>\$ 1,373,638</u>	<u>\$ 11,056,451</u>

CAPITAL PROJECTS FUNDS

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

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

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

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2019

	Unrestricted Capital Outlay	Adjacent Ways	Gifts and Donations - Capital
<u>ASSETS</u>			
Cash and investments	\$ 251,179	\$	\$ 428,168
Property taxes receivable		128,798	
Total assets	\$ 251,179	\$ 128,798	\$ 428,168
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Construction contracts payable	\$ 143,263	\$ 49,994	\$
Total liabilities	143,263	49,994	
Deferred inflows of resources:			
Unavailable revenues - property taxes		128,798	
Fund balances (deficits):			
Restricted	107,916		428,168
Unassigned		(49,994)	
Total fund balances	107,916	(49,994)	428,168
 Total liabilities, deferred inflows of resources and fund balances	\$ 251,179	\$ 128,798	\$ 428,168

<u>Building Renewal Grant</u>	<u>Totals</u>
\$ 510,411	\$ 1,189,758
	128,798
<u>\$ 510,411</u>	<u>\$ 1,318,556</u>

<u>\$</u>	<u>\$ 193,257</u>
	<u>193,257</u>

	<u>128,798</u>
--	----------------

510,411	1,046,495
	(49,994)
<u>510,411</u>	<u>996,501</u>

<u>\$ 510,411</u>	<u>\$ 1,318,556</u>
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QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2019

	<u>Unrestricted Capital Outlay</u>	<u>Adjacent Ways</u>	<u>Gifts and Donations - Capital</u>
Revenues:			
Other local	\$ (70,715)	\$	\$ 315,733
Property taxes		1,000,000	
State aid and grants	5,424,186		
Total revenues	<u>5,353,471</u>	<u>1,000,000</u>	<u>315,733</u>
Expenditures:			
Capital outlay	1,777,270	1,049,994	906,273
Debt service -			
Interest and fiscal charges	596,300		
Total expenditures	<u>2,373,570</u>	<u>1,049,994</u>	<u>906,273</u>
Changes in fund balances	<u>2,979,901</u>	<u>(49,994)</u>	<u>(590,540)</u>
Fund balances (deficits), beginning of year	(2,871,985)		1,018,708
Fund balances (deficits), end of year	<u>\$ 107,916</u>	<u>\$ (49,994)</u>	<u>\$ 428,168</u>

Building Renewal Grant	Totals
\$ 15,914	\$ 260,932
	1,000,000
23,128	5,447,314
<u>39,042</u>	<u>6,708,246</u>
24,345	3,757,882
	596,300
<u>24,345</u>	<u>4,354,182</u>
14,697	2,354,064
495,714	(1,357,563)
<u>\$ 510,411</u>	<u>\$ 996,501</u>

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2019

	Unrestricted Capital Outlay		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ (70,715)	\$ (70,715)
Property taxes			
State aid and grants		5,424,186	5,424,186
Total revenues		5,353,471	5,353,471
Expenditures:			
Capital outlay	2,084,669	1,777,270	307,399
Debt service -			
Interest and fiscal charges	596,300	596,300	
Debt issuance costs			
Total expenditures	2,680,969	2,373,570	307,399
Excess (deficiency) of revenues over expenditures	(2,680,969)	2,979,901	5,660,870
Other financing sources (uses):			
Transfers out			
Issuance of school improvement bonds			
Premium on sale of bonds			
Total other financing sources (uses)			
Changes in fund balances	(2,680,969)	2,979,901	5,660,870
Fund balances (deficits), beginning of year		(2,871,985)	(2,871,985)
Fund balances (deficits), end of year	\$ (2,680,969)	\$ 107,916	\$ 2,788,885

<u>Adjacent Ways</u>			<u>Bond Building</u>		
<u>Budget</u>	<u>Non-GAAP Actual</u>	<u>Variance - Positive (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
\$	\$	\$	\$	\$	\$
	1,000,000	1,000,000		646,773	646,773
	<u>1,000,000</u>	<u>1,000,000</u>		<u>646,773</u>	<u>646,773</u>
1,000,000	1,000,000		66,356,751	48,519,785	17,836,966
				289,732	(289,732)
<u>1,000,000</u>	<u>1,000,000</u>		<u>66,356,751</u>	<u>48,809,517</u>	<u>17,547,234</u>
<u>(1,000,000)</u>		<u>1,000,000</u>	<u>(66,356,751)</u>	<u>(48,162,744)</u>	<u>18,194,007</u>
				(876,843)	(876,843)
				20,640,000	20,640,000
				2,864,424	2,864,424
				<u>22,627,581</u>	<u>22,627,581</u>
<u>(1,000,000)</u>		<u>1,000,000</u>	<u>(66,356,751)</u>	<u>(25,535,163)</u>	<u>40,821,588</u>
				43,223,150	43,223,150
<u>\$ (1,000,000)</u>	<u>\$</u>	<u>\$ 1,000,000</u>	<u>\$ (66,356,751)</u>	<u>\$ 17,687,987</u>	<u>\$ 84,044,738</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2019

	Gifts and Donations - Capital		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 315,733	\$ 315,733
Property taxes			
State aid and grants			
Total revenues		315,733	315,733
Expenditures:			
Capital outlay	1,277,440	906,273	371,167
Debt service -			
Interest and fiscal charges			
Debt issuance costs			
Total expenditures	1,277,440	906,273	371,167
Excess (deficiency) of revenues over expenditures	(1,277,440)	(590,540)	686,900
Other financing sources (uses):			
Transfers out			
Issuance of school improvement bonds			
Premium on sale of bonds			
Total other financing sources (uses)			
Changes in fund balances	(1,277,440)	(590,540)	686,900
Fund balances (deficits), beginning of year		1,018,708	1,018,708
Fund balances (deficits), end of year	\$ (1,277,440)	\$ 428,168	\$ 1,705,608

Building Renewal Grant			New School Facilities		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 15,914	\$ 15,914	\$	\$ 35,384	\$ 35,384
	23,128	23,128		22,247,585	22,247,585
	39,042	39,042		22,282,969	22,282,969
530,483	24,345	506,138	30,717,991	26,002,157	4,715,834
530,483	24,345	506,138	30,717,991	26,002,157	4,715,834
(530,483)	14,697	545,180	(30,717,991)	(3,719,188)	26,998,803
(530,483)	14,697	545,180	(30,717,991)	(3,719,188)	26,998,803
	495,714	495,714		3,719,188	3,719,188
\$ (530,483)	\$ 510,411	\$ 1,040,894	\$ (30,717,991)	\$	\$ 30,717,991

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2019

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 943,089	\$ 943,089
Property taxes		1,000,000	1,000,000
State aid and grants		27,694,899	27,694,899
Total revenues		<u>29,637,988</u>	<u>29,637,988</u>
Expenditures:			
Capital outlay	101,967,334	78,229,830	23,737,504
Debt service -			
Interest and fiscal charges	596,300	596,300	
Debt issuance costs		289,732	(289,732)
Total expenditures	<u>102,563,634</u>	<u>79,115,862</u>	<u>23,447,772</u>
Excess (deficiency) of revenues over expenditures	<u>(102,563,634)</u>	<u>(49,477,874)</u>	<u>53,085,760</u>
Other financing sources (uses):			
Transfers out		(876,843)	(876,843)
Issuance of school improvement bonds		20,640,000	20,640,000
Premium on sale of bonds		2,864,424	2,864,424
Total other financing sources (uses)		<u>22,627,581</u>	<u>22,627,581</u>
Changes in fund balances	<u>(102,563,634)</u>	<u>(26,850,293)</u>	<u>75,713,341</u>
Fund balances (deficits), beginning of year		45,584,775	45,584,775
Fund balances (deficits), end of year	<u>\$ (102,563,634)</u>	<u>\$ 18,734,482</u>	<u>\$ 121,298,116</u>

AGENCY FUNDS

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

Employee Withholding - to account for deductions temporarily held by the District as an agent.

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2019

	<u>Student Activities</u>	<u>Employee Withholding</u>	<u>Totals</u>
<u>ASSETS</u>			
Cash and investments	\$ 176,842	\$ 535,869	\$ 712,711
Total assets	\$ 176,842	\$ 535,869	\$ 712,711
 <u>LIABILITIES</u>			
Deposits held for others	\$	\$ 535,869	\$ 535,869
Due to student groups	176,842		176,842
Total liabilities	\$ 176,842	\$ 535,869	\$ 712,711

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 2019

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<u>STUDENT ACTIVITIES FUND</u>				
<u>Assets</u>				
Cash and investments	\$ 149,325	\$ 196,228	\$ 168,711	\$ 176,842
Total assets	<u>\$ 149,325</u>	<u>\$ 196,228</u>	<u>\$ 168,711</u>	<u>\$ 176,842</u>
<u>Liabilities</u>				
Due to student groups	\$ 149,325	\$ 196,228	\$ 168,711	\$ 176,842
Total liabilities	<u>\$ 149,325</u>	<u>\$ 196,228</u>	<u>\$ 168,711</u>	<u>\$ 176,842</u>
<u>EMPLOYEE WITHHOLDING FUND</u>				
<u>Assets</u>				
Cash and investments	\$ 530,711	\$ 650,015	\$ 644,857	\$ 535,869
Total assets	<u>\$ 530,711</u>	<u>\$ 650,015</u>	<u>\$ 644,857</u>	<u>\$ 535,869</u>
<u>Liabilities</u>				
Deposits held for others	\$ 530,711	\$ 650,015	\$ 644,857	\$ 535,869
Total liabilities	<u>\$ 530,711</u>	<u>\$ 650,015</u>	<u>\$ 644,857</u>	<u>\$ 535,869</u>
<u>TOTAL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash and investments	\$ 680,036	\$ 846,243	\$ 813,568	\$ 712,711
Total assets	<u>\$ 680,036</u>	<u>\$ 846,243</u>	<u>\$ 813,568</u>	<u>\$ 712,711</u>
<u>Liabilities</u>				
Deposits held for others	\$ 530,711	\$ 650,015	\$ 644,857	\$ 535,869
Due to student groups	149,325	196,228	168,711	176,842
Total liabilities	<u>\$ 680,036</u>	<u>\$ 846,243</u>	<u>\$ 813,568</u>	<u>\$ 712,711</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.

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net Position:					
Net investment in capital assets	\$ 122,959,855	\$ 88,451,254	\$ 68,032,347	\$ 67,464,476	\$ 67,906,920
Restricted	10,020,049	12,593,027	6,762,737	7,789,182	8,216,085
Unrestricted	(24,210,500)	(21,854,421)	(24,014,887)	(26,810,714)	(28,122,455)
Total net position	\$ 108,769,404	\$ 79,189,860	\$ 50,780,197	\$ 48,442,944	\$ 48,000,550
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Net Position:					
Net investment in capital assets	\$ 67,572,100	\$ 66,456,875	\$ 67,381,487	\$ 64,655,506	\$ 63,793,016
Restricted	8,140,923	7,392,501	8,991,884	9,285,149	7,940,465
Unrestricted	8,030,367	8,501,459	8,042,657	8,340,009	14,372,858
Total net position	\$ 83,743,390	\$ 82,350,835	\$ 84,416,028	\$ 82,280,664	\$ 86,106,339

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Expenses					
Instruction	\$ 40,516,638	\$ 33,710,073	\$ 29,917,103	\$ 22,987,109	\$ 21,666,500
Support services - students and staff	8,507,861	6,638,689	5,664,691	4,646,157	4,404,260
Support services - administration	8,400,826	6,109,880	5,437,447	5,244,747	4,380,787
Operation and maintenance of plant services	8,643,176	7,169,047	7,511,602	6,184,618	4,919,770
Student transportation services	4,703,459	3,949,889	3,432,255	2,783,146	2,636,950
Operation of non-instructional services	4,789,037	3,778,462	3,548,783	3,154,514	2,951,133
Interest on long-term debt	4,390,042	2,604,100	2,177,382	2,224,123	1,498,267
Total expenses	<u>79,951,039</u>	<u>63,960,140</u>	<u>57,689,263</u>	<u>47,224,414</u>	<u>42,457,667</u>
Program Revenues					
Charges for services:					
Instruction	1,926,558	1,470,085	1,691,980	2,035,229	2,733,807
Operation of non-instructional services	3,693,308	3,135,740	2,614,882	2,160,506	1,617,965
Other activities	1,140,673	881,744	1,447,783	684,177	512,476
Operating grants and contributions	4,946,126	5,079,024	4,149,858	4,063,862	3,654,413
Capital grants and contributions	31,206,094	24,441,346	318,513	137,386	140,600
Total program revenues	<u>42,912,759</u>	<u>35,007,939</u>	<u>10,223,016</u>	<u>9,081,160</u>	<u>8,659,261</u>
Net (Expense)/Revenue	<u>\$ (37,038,280)</u>	<u>\$ (28,952,201)</u>	<u>\$ (47,466,247)</u>	<u>\$ (38,143,254)</u>	<u>\$ (33,798,406)</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Expenses					
Instruction	\$ 20,654,350	\$ 21,870,474	\$ 22,806,535	\$ 25,469,481	\$ 22,463,400
Support services - students and staff	4,369,053	4,346,679	4,133,729	3,721,124	3,619,639
Support services - administration	4,358,965	4,913,962	4,039,139	4,078,970	3,774,973
Operation and maintenance of plant services	5,123,094	5,035,818	4,864,025	4,624,221	4,194,109
Student transportation services	2,521,520	3,173,951	2,572,302	2,759,707	2,537,094
Operation of non-instructional services	2,930,100	2,709,009	2,682,684	2,550,925	2,678,173
Interest on long-term debt	1,558,063	1,761,424	2,164,724	1,701,711	1,913,890
Total expenses	<u>41,515,145</u>	<u>43,811,317</u>	<u>43,263,138</u>	<u>44,906,139</u>	<u>41,181,278</u>
Program Revenues					
Charges for services:					
Instruction	1,794,820	1,346,885	2,157,197	1,156,518	2,935,950
Operation of non-instructional services	1,536,924	1,584,911	1,386,058	1,573,403	1,483,583
Other activities	649,180	336,430	281,990	241,334	182,577
Operating grants and contributions	3,597,355	3,364,968	3,464,539	5,457,717	3,834,782
Capital grants and contributions	60,313	63,496	946,245	188,495	91,108
Total program revenues	<u>7,638,592</u>	<u>6,696,690</u>	<u>8,236,029</u>	<u>8,617,467</u>	<u>8,528,000</u>
Net (Expense)/Revenue	<u>\$ (33,876,553)</u>	<u>\$ (37,114,627)</u>	<u>\$ (35,027,109)</u>	<u>\$ (36,288,672)</u>	<u>\$ (32,653,278)</u>

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

(Concluded)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net (Expense)/Revenue	\$ (37,038,280)	\$ (28,952,201)	\$ (47,466,247)	\$ (38,143,254)	\$ (33,798,406)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	19,621,907	17,963,125	15,605,044	8,930,596	10,247,220
Property taxes, levied for debt service	9,449,066	8,490,567	6,648,963	5,770,984	5,700,845
Property taxes, levied for capital outlay	1,128,798		1,050,400	512,000	
Investment income	1,080,546	347,462	89,066	141,983	71,815
Unrestricted county aid	2,388,204	2,350,517	2,009,104	1,682,024	1,417,591
Unrestricted state aid	32,841,343	27,985,051	24,214,177	21,226,124	17,295,836
Unrestricted federal aid	107,960	217,585	186,746	321,937	219,315
Total general revenues	<u>66,617,824</u>	<u>57,354,307</u>	<u>49,803,500</u>	<u>38,585,648</u>	<u>34,952,622</u>
Changes in Net Position	<u>\$ 29,579,544</u>	<u>\$ 28,402,106</u>	<u>\$ 2,337,253</u>	<u>\$ 442,394</u>	<u>\$ 1,154,216</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Net (Expense)/Revenue	\$ (33,876,553)	\$ (37,114,627)	\$ (35,027,109)	\$ (36,288,672)	\$ (32,653,278)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	10,584,932	10,556,181	10,378,153	8,709,558	11,630,814
Property taxes, levied for debt service	5,730,234	4,199,946	6,276,897	5,410,415	5,177,059
Property taxes, levied for capital outlay			641,685	3,087	571,512
Investment income	45,806	53,147	73,949	177,060	170,841
Unrestricted county aid	1,416,310	1,591,696	1,702,194	1,529,607	1,415,636
Unrestricted state aid	17,106,213	17,704,187	17,913,050	16,233,632	18,536,624
Unrestricted federal aid	220,733	215,557	176,545	399,638	2,395,863
Total general revenues	<u>35,104,228</u>	<u>34,320,714</u>	<u>37,162,473</u>	<u>32,462,997</u>	<u>39,898,349</u>
Changes in Net Position	<u>\$ 1,227,675</u>	<u>\$ (2,793,913)</u>	<u>\$ 2,135,364</u>	<u>\$ (3,825,675)</u>	<u>\$ 7,245,071</u>

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

(Concluded)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General Fund:					
Nondisposable	\$ 59,015	\$ 52,583	\$	\$	\$
Unassigned	7,880,269	11,691,357	6,552,857	4,205,429	3,325,992
Total General Fund	<u>\$ 7,939,284</u>	<u>\$ 11,743,940</u>	<u>\$ 6,552,857</u>	<u>\$ 4,205,429</u>	<u>\$ 3,325,992</u>
All Other Governmental Funds:					
Nondisposable	\$ 236,451	\$ 237,797	\$	\$	\$
Restricted	27,118,996	55,393,077	7,725,540	13,669,536	28,811,078
Unassigned	(183,425)	(3,711,844)	(283,491)		
Total all other governmental funds	<u>\$ 27,172,022</u>	<u>\$ 51,919,030</u>	<u>\$ 7,442,049</u>	<u>\$ 13,669,536</u>	<u>\$ 28,811,078</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
General Fund:					
Nonspendable	\$	\$	\$	\$ 559,736	\$
Unassigned	3,176,035	3,047,647	2,846,817	2,404,981	
Reserved					87,000
Unreserved					3,927,811
Total General Fund	<u>\$ 3,176,035</u>	<u>\$ 3,047,647</u>	<u>\$ 2,846,817</u>	<u>\$ 2,964,717</u>	<u>\$ 4,014,811</u>
All Other Governmental Funds:					
Restricted	\$ 9,101,089	\$ 9,672,655	\$ 11,989,719	\$ 12,680,123	\$
Reserved					
Unreserved, reported in:					
Special revenue funds					3,656,758
Capital projects funds					11,675,723
Debt service fund					462,312
Total all other governmental funds	<u>\$ 9,101,089</u>	<u>\$ 9,672,655</u>	<u>\$ 11,989,719</u>	<u>\$ 12,680,123</u>	<u>\$ 15,794,793</u>

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

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

(Concluded)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Federal sources:					
Federal grants	\$ 3,736,109	\$ 2,692,918	\$ 2,880,135	\$ 2,768,021	\$ 2,903,742
National School Lunch Program	1,328,296	1,192,799	1,224,809	1,154,247	1,041,332
Total federal sources	<u>5,064,405</u>	<u>3,885,717</u>	<u>4,104,944</u>	<u>3,922,268</u>	<u>3,945,074</u>
State sources:					
State equalization assistance	28,906,967	24,715,708	21,432,068	18,483,931	15,319,025
State grants	586,575	643,163	148,188	143,336	97,627
School Facilities Board	22,270,713	23,946,576	482,000		
Other revenues	3,911,248	3,258,438	2,782,109	2,260,753	1,976,811
Total state sources	<u>55,675,503</u>	<u>52,563,885</u>	<u>24,844,365</u>	<u>20,888,020</u>	<u>17,393,463</u>
Local sources:					
Property taxes	30,243,745	26,439,562	23,283,719	15,934,620	16,018,678
County aid	2,388,204	2,350,517	2,009,104	1,690,024	1,425,591
Food service sales	1,732,509	1,507,368	1,349,650	1,223,319	1,078,537
Investment income	1,080,546	347,462	89,066	141,983	71,815
Other revenues	5,365,969	4,439,629	4,763,557	3,950,605	3,777,711
Total local sources	<u>40,810,973</u>	<u>35,084,538</u>	<u>31,495,096</u>	<u>22,940,551</u>	<u>22,372,332</u>
Total revenues	<u><u>\$ 101,550,881</u></u>	<u><u>\$ 91,534,140</u></u>	<u><u>\$ 60,444,405</u></u>	<u><u>\$ 47,750,839</u></u>	<u><u>\$ 43,710,869</u></u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Federal sources:					
Federal grants	\$ 2,629,031	\$ 2,768,592	\$ 3,248,936	\$ 2,621,250	\$ 2,607,013
State Fiscal Stabilization (ARRA)				206,352	2,395,863
Education Jobs			14,078	917,233	
National School Lunch Program	1,030,574	800,212	1,134,123	997,948	965,022
Total federal sources	<u>3,659,605</u>	<u>3,568,804</u>	<u>4,397,137</u>	<u>4,742,783</u>	<u>5,967,898</u>
State sources:					
State equalization assistance	15,098,589	16,182,515	16,305,047	14,852,611	16,923,057
State grants	101,206	43,336	54,979	152,119	161,994
School Facilities Board					
Other revenues	2,019,624	1,530,173	1,608,003	1,463,187	1,599,824
Total state sources	<u>17,219,419</u>	<u>17,756,024</u>	<u>17,968,029</u>	<u>16,467,917</u>	<u>18,684,875</u>
Local sources:					
Property taxes	16,301,657	14,967,942	17,497,504	14,206,124	16,929,326
County aid	1,416,310	1,591,696	1,702,194		1,415,636
Food service sales	1,060,613	1,051,726	1,088,449	1,091,205	1,073,927
Investment income	45,806	46,693	72,190	172,801	148,371
Other revenues	2,969,357	2,239,880	2,870,045	3,036,913	3,682,622
Total local sources	<u>21,793,743</u>	<u>19,897,937</u>	<u>23,230,382</u>	<u>20,036,650</u>	<u>23,249,882</u>
Total revenues	<u>\$ 42,672,767</u>	<u>\$ 41,222,765</u>	<u>\$ 45,595,548</u>	<u>\$ 41,247,350</u>	<u>\$ 47,902,655</u>

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

(Concluded)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Expenditures:					
Current -					
Instruction	\$ 34,067,505	\$ 27,711,540	\$ 25,532,755	\$ 19,847,001	\$ 18,174,397
Support services - students and staff	8,101,697	6,350,834	5,278,891	4,510,556	4,307,473
Support services - administration	6,988,180	5,229,766	4,869,509	4,923,198	4,187,163
Operation and maintenance of plant services	7,387,837	6,276,082	6,677,151	5,506,637	4,749,390
Student transportation services	3,108,050	2,757,798	2,631,286	2,180,756	2,168,632
Operation of non-instructional services	4,400,312	3,749,415	3,379,390	3,095,858	2,885,476
Capital outlay	78,794,810	48,952,102	8,952,367	19,553,100	14,127,876
Debt service -					
Principal retirement	5,610,000	5,560,000	4,675,000	4,405,000	4,350,000
Interest, premium and fiscal charges	4,906,209	3,017,419	2,328,115	2,423,200	1,684,701
Bond issuance costs	289,732	953,503		94,630	506,050
Total expenditures	<u>\$ 153,654,332</u>	<u>\$ 110,558,459</u>	<u>\$ 64,324,464</u>	<u>\$ 66,539,936</u>	<u>\$ 57,141,158</u>
Expenditures for capitalized assets	\$ 73,762,675	\$ 45,539,429	\$ 5,491,410	\$ 17,379,514	\$ 13,003,993
Debt service as a percentage of noncapital expenditures	13%	13%	12%	14%	14%

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Expenditures:					
Current -					
Instruction	\$ 17,932,854	\$ 18,459,822	\$ 19,384,023	\$ 21,672,889	\$ 19,039,327
Support services - students and staff	4,316,787	4,336,151	3,944,558	3,278,062	3,362,298
Support services - administration	4,022,744	4,007,166	3,667,585	3,527,733	3,353,767
Operation and maintenance of plant services	4,965,295	4,790,304	4,662,920	4,354,014	3,961,052
Student transportation services	2,050,649	2,182,115	1,937,799	2,097,614	2,087,413
Operation of non-instructional services	2,856,920	2,598,476	2,599,139	2,415,905	2,553,279
Capital outlay	1,828,526	1,201,209	6,048,368	9,111,922	6,667,165
Debt service -					
Principal retirement	4,135,000	4,010,000	3,700,000	3,725,000	4,950,000
Interest, premium and fiscal charges	1,656,999	1,761,424	2,149,814	1,847,477	1,800,296
Bond issuance costs		83,541	83,000	217,566	287,507
Total expenditures	<u>\$ 43,765,774</u>	<u>\$ 43,430,208</u>	<u>\$ 48,177,206</u>	<u>\$ 52,248,182</u>	<u>\$ 48,062,104</u>
Expenditures for capitalized assets	\$ 1,327,280	\$ 1,319,870	\$ 4,697,168	\$ 5,582,611	\$ 4,316,361
Debt service as a percentage of noncapital expenditures	14%	14%	13%	12%	15%

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

(Concluded)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Excess (deficiency) of revenues over expenditures	\$ (52,103,451)	\$ (19,024,319)	\$ (3,880,059)	\$ (18,789,097)	\$ (13,430,289)
Other financing sources (uses):					
Refunding bonds issued					6,910,000
Premium on sale of bonds	2,864,424	5,282,203		176,992	2,431,572
Issuance of school improvement bonds	20,640,000	45,215,000		4,350,000	31,920,000
Transfers in	1,223,789	303,599	114,965	272,096	1,252,491
Transfers out	(1,223,789)	(303,599)	(114,965)	(272,096)	(1,252,491)
Payment to refunded bond escrow agent					(7,682,567)
Capital lease agreement		17,800,000			
Insurance recoveries	42,277	104,800			
Total other financing sources (uses)	<u>23,546,701</u>	<u>68,402,003</u>		<u>4,526,992</u>	<u>33,579,005</u>
Changes in fund balances	<u>\$ (28,556,750)</u>	<u>\$ 49,377,684</u>	<u>\$ (3,880,059)</u>	<u>\$ (14,262,105)</u>	<u>\$ 20,148,716</u>
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Excess (deficiency) of revenues over expenditures	\$ (1,093,007)	\$ (2,207,443)	\$ (2,581,658)	\$ (11,000,832)	\$ (159,449)
Other financing sources (uses):					
General obligation bonds issued				6,000,000	8,735,000
Refunding bonds issued		3,540,000		3,265,000	
Premium on sale of bonds		186,466	68,090	472,735	173,913
Issuance of school improvement bonds			2,265,000		
Transfers in	112,895	111,403	72,156	283,868	85,297
Transfers out	(112,895)	(111,403)	(72,156)	(283,868)	(85,297)
Payment to refunded bond escrow agent		(3,642,925)		(3,374,403)	
Capital lease agreement					
Insurance recoveries					
Total other financing sources (uses)		<u>83,541</u>	<u>2,333,090</u>	<u>6,363,332</u>	<u>8,908,913</u>
Changes in fund balances	<u>\$ (1,093,007)</u>	<u>\$ (2,123,902)</u>	<u>\$ (248,568)</u>	<u>\$ (4,637,500)</u>	<u>\$ 8,749,464</u>

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NET LIMITED ASSESSED VALUE AND FULL CASH VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Commercial, Industrial, Utilities and Mining	\$ 82,599,416	\$ 71,708,925	\$ 64,590,411	\$ 64,926,927	\$ 73,864,717
Agricultural and Vacant	38,052,991	45,997,143	39,730,509	41,424,711	34,194,728
Residential (Owner Occupied)	274,820,517	226,028,388	183,826,233	154,816,190	131,924,278
Residential (Rental)	55,205,802	51,006,633	46,476,500	41,737,053	34,578,223
Railroad, Private Cars and Airlines	1,515,140	1,615,876	1,560,000	1,704,669	1,815,687
Historical Property	262,545	350,255	394,845	4,055	4,480
Certain Government Property Improvements	240,566	278,900	292,778	183,045	113,698
Total	\$ 452,696,977	\$ 396,986,120	\$ 336,871,276	\$ 304,796,650	\$ 276,495,811
Gross Full Cash Value	\$ 5,933,597,758	\$ 5,056,731,948	\$ 4,499,321,946	\$ 3,819,516,923	\$ 2,885,566,249
Ratio of Net Limited Assessed Value to Gross Full Cash Value	8%	8%	7%	8%	10%
Total Direct Rate	7.61	7.57	8.04	6.17	6.55

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Commercial, Industrial, Utilities and Mining	\$ 57,675,925	\$ 58,281,451	\$ 54,028,195	\$ 88,766,599	\$ 75,633,908
Agricultural and Vacant	26,027,364	27,316,819	36,937,140	69,296,050	91,359,277
Residential (Owner Occupied)	113,062,187	123,504,137	132,839,571	158,559,882	178,707,953
Residential (Rental)	23,486,322	12,248,100	11,267,403	11,505,198	11,094,095
Railroad, Private Cars and Airlines	1,616,615	1,578,339	1,399,588	1,417,932	1,482,813
Historical Property	4,836	13,973	16,652	125,974	15,890
Certain Government Property Improvements	6,649	7,383	8,442		
Total	\$ 221,879,898	\$ 222,950,202	\$ 236,496,991	\$ 329,671,635	\$ 358,293,936
Gross Full Cash Value	\$ 2,324,966,663	\$ 2,320,598,230	\$ 2,469,456,868	\$ 3,352,358,177	\$ 3,994,336,170
Ratio of Net Limited Assessed Value to Gross Full Actual Value	10%	10%	10%	10%	9%
Total Direct Rate	8.16	7.61	7.43	4.92	5.01

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.

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NET FULL CASH ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Commercial, Industrial, Utilities and Mining	\$ 101,099,190	\$ 85,733,572	\$ 73,950,607	\$ 70,174,710	\$ 74,717,446
Agricultural and Vacant	75,319,725	75,187,562	70,739,886	62,335,654	41,192,781
Residential (Owner Occupied)	345,807,062	281,398,301	232,574,186	192,467,989	141,139,851
Residential (Rental)	71,481,894	65,361,953	60,099,917	53,248,366	37,584,674
Railroad, Private Cars and Airlines	1,831,491	1,887,203	1,671,670	1,737,728	1,832,955
Historical Property	262,545	350,255	394,845	4,055	4,480
Certain Government Property Improvements	309,876	350,060	362,858	198,514	114,781
Total	\$ 596,111,783	\$ 510,268,906	\$ 439,793,969	\$ 380,167,016	\$ 296,586,968
Gross Full Cash Value	\$ 5,933,597,758	\$ 5,056,731,948	\$ 4,499,321,946	\$ 3,819,516,923	\$ 2,885,566,249
Ratio of Net Full Assessed Value to Gross Full Cash Value	10%	10%	10%	10%	10%
Estimated Net Full Cash Value	5,078,054,126	4,323,468,341	3,676,852,065	3,076,717,612	2,331,775,756
Total Direct Rate	7.61	7.57	8.04	6.17	6.55

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Commercial, Industrial, Utilities and Mining	\$ 58,295,093	\$ 58,777,356	\$ 54,619,273	\$ 100,317,286	\$ 95,003,683
Agricultural and Vacant	29,093,255	29,777,660	38,598,304	81,369,826	136,014,540
Residential (Owner Occupied)	113,197,439	123,602,375	133,122,309	160,505,884	198,572,692
Residential (Rental)	23,564,342	12,256,867	11,293,783	11,747,623	12,369,076
Railroad, Private Cars and Airlines	1,632,133	1,608,835	1,564,406	1,696,824	1,753,649
Historical Property	4,836	13,973	16,652	125,974	15,890
Certain Government Property Improvements	6,649	7,383	8,442		
Total	\$ 225,793,747	\$ 226,044,449	\$ 239,223,169	\$ 355,763,417	\$ 443,729,530
Gross Full Cash Value	\$ 2,324,966,663	\$ 2,320,598,230	\$ 2,469,456,868	\$ 3,352,358,177	\$ 3,994,336,170
Ratio of Net Full Assessed Value to Gross Full Cash Value	10%	10%	10%	11%	11%
Estimated Net Full Cash Value	1,733,257,753	1,723,042,252	1,832,486,093	2,579,588,834	3,257,620,483
Total Direct Rate	8.16	7.61	7.43	4.92	5.01

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.

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
PROPERTY TAX ASSESSMENT RATIOS
LAST TEN FISCAL YEARS**

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

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

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

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

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
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	East Valley Institute of Technology School District No. 401	Primary	Secondary	Total
	2019	0.47	1.40	0.06	0.18	1.38	0.01	0.05	4.23	3.39
2018	0.49	1.40	0.06	0.18	1.41	0.01	0.05	4.16	3.41	7.57
2017	0.50	1.40	0.06	0.18	1.47	0.01	0.05	4.68	3.36	8.04
2016	0.51	1.36	0.06	0.16	1.49	0.01	0.05	4.28	1.89	6.17
2015	0.51	1.32	0.06	0.14	1.52	0.01	0.05	4.30	2.24	6.55
2014	N/A	1.28	0.04	0.14	1.53	0.01	0.05	4.89	3.27	8.16
2013	N/A	1.24	0.05	0.10	1.38	0.01	0.05	4.55	3.06	7.61
2012	N/A	1.24	0.05	0.18	1.21	0.01	0.05	3.84	3.59	7.43
2011	N/A	1.05	0.04	0.10	0.97	0.01	0.05	2.65	2.27	4.92
2010	N/A	0.99	0.04	0.14	0.88	0.01	0.05	3.27	1.74	5.01

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

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

Taxpayer	2019		2010	
	Net Limited Assessed Valuation	Percentage of District's Net Limited Assessed Valuation	Net Full Cash Assessed Valuation	Percentage of District's Net Full Cash Assessed Valuation
CMC Steel Arizona	\$ 13,206,559	2.92 %		%
VPQCM LLC	8,449,964	1.87		
TRW Vehicle Safety Systems Inc.	7,793,853	1.72		
Fujifilm Electronic Materials USA Inc.	5,321,752	1.18	4,215,431	0.95
Commercial Metals Company	3,510,721	0.78		
Queen Creek Summit LLC	3,387,414	0.75		
Southwest Gas Corporation (T&D)	2,809,268	0.62		
William Lyon Homes Inc.	2,409,551	0.53		
Target Corporation	2,358,864	0.52		
Wal-Mart Stores, Inc.	2,309,526	0.51	3,816,074	0.86
Pacific Proving LLC			13,977,480	3.15
Vestar QCM LLC			4,570,414	1.03
Pulte Home Corporation			5,191,636	1.17
DMB Mesa Proving Grounds LLC			31,904,151	7.19
220th Street Properties			3,949,193	0.89
Pecans of Queen Creek LLC			3,283,599	0.74
Pecos Commerce Center LLC			3,283,869	0.74
Meridian LLC			2,839,869	0.64
Total	<u>\$ 51,557,472</u>	<u>11.39 %</u>	<u>\$ 77,031,716</u>	<u>17.36 %</u>

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

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

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Fiscal Years	Collected to the End of the Current Fiscal Year	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2019	\$ 34,779,357	\$ 32,554,549	93.60 %	\$	\$ 32,554,549	93.60 %
2018	30,235,963	28,358,336	93.79	1,871,576	30,229,912	99.98
2017	27,111,702	25,475,272	93.96	1,629,923	27,105,195	99.98
2016	18,894,620	18,284,185	96.77	606,646	18,890,831	99.98
2015	18,389,795	16,792,339	91.31	1,593,664	18,386,003	99.98
2014	18,340,627	17,256,071	94.09	1,081,017	18,337,088	99.98
2013	17,252,220	16,212,703	93.97	1,037,926	17,250,629	99.99
2012	18,487,658	17,411,556	94.18	(66,693)	17,344,863	93.82
2011	16,435,235	14,149,430	86.09	2,283,836	16,433,266	99.99
2010	19,375,272	16,671,448	86.04	2,092,636	18,764,084	96.85

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

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

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

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
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	Capital Leases	Total	Percentage of Estimated Actual Value	Per Capita	Percentage of Personal Income
2019	\$ 124,950,505	\$ 1,597,429	\$ 123,353,076	2.08 %	\$ 3,472	\$ 17,800,000	\$ 142,750,505	2.41 %	\$ 4,018	0.07 %
2018	107,211,676	909,915	106,301,761	2.10	2,992	17,800,000	125,011,676	2.47	3,519	0.07
2017	62,232,220	401,873	61,830,347	1.37	1,846		62,232,220	1.38	1,858	0.03
2016	66,847,381	2,590,024	64,257,357	1.68	2,135		66,847,381	1.75	2,221	0.04
2015	66,928,894	1,271,482	65,657,412	2.28	2,225		66,928,894	2.32	2,268	0.05
2014	36,565,000	321,334	36,243,666	1.56	1,296		36,565,000	1.57	1,308	0.02
2013	40,575,000	83,507	40,491,493	1.74	1,538		40,575,000	1.75	1,541	0.03
2012	44,275,000	1,524,431	42,750,569	1.73	2,394		44,275,000	1.79	2,480	0.03
2011	42,010,000	665,359	41,344,641	1.23	2,315		42,010,000	1.25	2,353	0.03
2010	44,685,000	4,950,000	39,735,000	0.99	2,247		44,685,000	1.12	2,527	0.03

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2019

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to School District</u>	<u>Estimated Amount Applicable to School District</u>
Overlapping:			
State of Arizona	None	0.73%	None
Maricopa County	None	1.12	None
Maricopa County Community College District	\$ 380,740,000	1.12	\$ 4,264,288
Maricopa County Special Health Care District (MIHS)	\$ 497,125,000	1.12	5,567,800
City of Mesa	365,755,000	4.35	15,910,343
Town of Queen Creek	None	80.54	None
Eastmark Community Facilities District	None	100.00	None
Subtotal, Overlapping Debt			<u>25,742,431</u>
Direct:			
Queen Creek Unified School District No. 95			<u>142,750,505</u>
Total Direct and Overlapping Debt			<u><u>\$ 168,492,936</u></u>

DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation		27.25 %
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 4,197	
As a Percentage of Net Limited Assessed Valuation		32.93 %
As a Percentage of Gross Full Cash Value		2.51 %

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

Note: 1) Estimated percentage of debt outstanding applicable to the District is calculated based on a portion of the District's net limited assessed valuation as a percentage of the net limited assessed valuation of the overlapping jurisdiction.

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

Class B Bond Legal Debt Margin Calculation for Fiscal Year 2019: (3)

Net full cash assessed valuation	\$ 596,111,783
Debt limit (20% of assessed value)	119,222,357
Debt applicable to limit	<u>122,547,258</u>
Legal debt margin	<u><u>\$ (3,324,901)</u></u>

Total Legal Debt Margin Calculation for Fiscal Year 2019:

Net full cash assessed valuation	\$ 596,111,783
Debt limit (30% of assessed value)	178,833,535
Debt applicable to limit	<u>122,547,258</u>
Legal debt margin	<u><u>\$ 56,286,277</u></u>

Fiscal Year Ended June 30

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Debt Limit	\$ 178,833,535	\$ 153,080,672	\$ 131,938,191	\$ 114,050,105	\$ 88,976,090
Total net debt applicable to limit	<u>122,547,258</u>	<u>102,049,372</u>	<u>59,945,000</u>	<u>64,350,000</u>	<u>64,350,000</u>
Legal debt margin	<u><u>\$ 56,286,277</u></u>	<u><u>\$ 51,031,300</u></u>	<u><u>\$ 71,993,191</u></u>	<u><u>\$ 49,700,105</u></u>	<u><u>\$ 24,626,090</u></u>
Total net debt applicable to the limit as a percentage of debt limit	69%	67%	45%	56%	72%

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Debt Limit	\$ 67,738,124	\$ 67,813,335	\$ 71,766,951	\$ 106,729,025	\$ 133,118,859
Total net debt applicable to limit	<u>36,565,000</u>	<u>40,575,000</u>	<u>44,275,000</u>	<u>42,010,000</u>	<u>44,685,000</u>
Legal debt margin	<u><u>\$ 31,173,124</u></u>	<u><u>\$ 27,238,335</u></u>	<u><u>\$ 27,491,951</u></u>	<u><u>\$ 64,719,025</u></u>	<u><u>\$ 88,433,859</u></u>
Total net debt applicable to the limit as a percentage of debt limit	54%	60%	62%	39%	34%

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.
 - 3) At the time Series 2019 School Improvement Bonds were issued, the District also had \$3,503,161 of funds held for principal, therefore unused statutory borrowing capacity at that time was \$178,259.

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
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>
2018	4,294,460	\$ 210,370,180	\$ 47,694	4.1 %	35,524
2017	4,221,684	196,286,191	45,573	4.2	39,714
2016	4,137,076	185,111,698	43,628	4.5	35,524
2015	4,076,438	184,784,917	42,092	5.5	33,492
2014	4,087,191	168,483,421	41,222	5.9	30,100
2013	4,009,412	147,700,000	27,552	6.2	29,510
2012	3,942,169	147,374,500	39,300	9.1	27,963
2011	3,843,370	142,864,275	37,352	8.4	26,329
2010	3,817,117	142,091,618	35,319	9.1	17,856
2009	4,023,132	147,122,078	37,168	8.3	17,856

Sources: The source of the "Personal Income" and "Per Capita" information is the Bureau of Economic Analysis.

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

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<u>Employer</u>	<u>2019</u>		<u>2010</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Queen Creek Unified School District	690	28.28 %	667	33.8 %
American Leadership Academy	140	5.74		
Walmart	330	13.52	310	15.7
Chandler Unified School District No. 80	200	8.20		
Target Stores, Inc.	190	7.79	170	8.6
Home Depot	190	7.79	132	6.7
Town of Queen Creek	270	11.07	225	11.4
Higley Unified School District No. 60	140	5.74		
Benjamin Franklin Charter School, Ltd.	160	6.56		
V&P Nurseries	130	5.33		
Canyon State Academy			200	10.1
Bashas			62	3.1
Alliance Lumber			28	1.4
Kohls			92	4.7
Safeway			60	3.0
Paradise Bakery			28	1.4
Total	<u>2,440</u>	<u>100.00 %</u>	<u>1,974</u>	<u>100.0 %</u>
Total employment	<u>2,440</u>		<u>1,974</u>	

Source: The source of this information is Hoover's Inc., a D&B Company.

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS

	Full-time Equivalent Employees as of June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Supervisory					
Consultants/supervisors of instruction	8	6	5	7	11
Principals	10	8	8	7	7
Assistant principals	6	6	5	4	4
Total supervisory	<u>24</u>	<u>20</u>	<u>18</u>	<u>18</u>	<u>22</u>
Instruction					
Teachers	391	365	320	277	245
Other professionals (instructional)	19	12	9	5	5
Aides	78	68	61	69	80
Total instruction	<u>488</u>	<u>445</u>	<u>390</u>	<u>351</u>	<u>330</u>
Student Services					
Librarians	1	1	1	1	1
Technicians	6	7	4	1	1
Guidance counselors	15	13	8	8	8
Other professionals (noninstructional)	64	49	52	40	33
Total student services	<u>86</u>	<u>70</u>	<u>65</u>	<u>50</u>	<u>43</u>
Support and Administration					
Clerical workers	106	72	70	87	153
Unskilled laborers	155	129	113	84	82
Total support and administration	<u>261</u>	<u>201</u>	<u>183</u>	<u>171</u>	<u>235</u>
Total	<u><u>859</u></u>	<u><u>736</u></u>	<u><u>656</u></u>	<u><u>590</u></u>	<u><u>630</u></u>

(Continued)

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Supervisory					
Consultants/supervisors of instruction	10	10	9	4	4
Principals	7	7	6	7	7
Assistant principals	3	4	4	8	5
Total supervisory	<u>20</u>	<u>21</u>	<u>19</u>	<u>19</u>	<u>16</u>
Instruction					
Teachers	257	265	261	262	277
Other professionals (instructional)	5	4	7	3	1
Aides	62	60	65	70	75
Total instruction	<u>324</u>	<u>329</u>	<u>333</u>	<u>335</u>	<u>353</u>
Student Services					
Librarians	1	1	1	1	1
Technicians	1	1	1	1	1
Guidance counselors	8	8	13	7	9
Other professionals (noninstructional)	28	27	23	22	18
Total student services	<u>38</u>	<u>37</u>	<u>38</u>	<u>31</u>	<u>29</u>
Support and Administration					
Clerical workers	139	143	134	124	91
Unskilled laborers	94	86	80	83	98
Total support and administration	<u>233</u>	<u>229</u>	<u>214</u>	<u>207</u>	<u>189</u>
Total	<u><u>615</u></u>	<u><u>616</u></u>	<u><u>604</u></u>	<u><u>592</u></u>	<u><u>587</u></u>

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

(Concluded)

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Average Daily Membership	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Free/Reduced Students
2019	7,157	\$ 64,053,581	\$ 8,950	18.61 %	\$ 79,951,039	\$ 11,171	20.54 %	391	18.3	21.8 %
2018	6,902	52,075,435	7,546	(1.63)	63,960,140	9,268	1.30	365	18.9	26.6
2017	6,306	48,368,982	7,671	6.80	57,689,263	9,149	8.06	320	19.7	28.0
2016	5,578	40,064,006	7,183	(1.10)	47,224,414	8,466	0.14	277	20.1	36.6
2015	5,022	36,472,531	7,263	(2.43)	42,457,667	8,454	(1.11)	245	20.5	27.0
2014	4,856	36,145,249	7,443	(2.12)	41,515,145	8,549	(6.67)	257	18.9	32.0
2013	4,783	36,374,034	7,605	5.26	43,811,317	9,160	6.07	265	18.0	28.1
2012	5,010	36,196,024	7,225	(0.41)	43,263,138	8,635	(1.01)	261	19.2	28.7
2011	5,148	37,346,217	7,255	10.58	44,906,139	8,723	10.93	262	19.6	33.0
2010	5,237	34,357,136	6,560	110.91	41,181,278	7,864	(28.35)	277	18.9	32.0

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

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

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
CAPITAL ASSETS INFORMATION
LAST TEN FISCAL YEARS**

	Fiscal Year Ended June 30									
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Schools										
Elementary										
Buildings	6	5	5	5	4	4	4	4	4	4
Square feet	368,797	287,363	287,363	343,214	254,144	254,144	254,144	254,144	254,144	254,144
Capacity	4,904	3,968	3,968	4,076	3,176	3,176	3,176	3,176	3,176	3,176
Enrollment	3,689	3,633	3,717	2,747	2,185	2,241	1,806	2,205	2,029	2,647
Middle										
Buildings	2	2	2	2	2	2	2	2	2	2
Square feet	209,461	209,461	209,461	231,564	241,261	241,261	241,261	241,261	241,261	241,261
Capacity	2,000	2,306	2,306	2,507	1,993	1,993	1,993	1,993	1,993	1,993
Enrollment	1,741	1,486	1,283	1,216	1,602	1,646	1,468	1,502	1,542	1,165
High										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	235,010	235,010	235,010	237,380	241,571	241,571	241,571	239,201	239,201	239,201
Capacity	1,500	2,169	2,169	1,975	1,993	1,993	1,993	1,993	1,993	1,993
Enrollment	2,109	2,117	2,074	1,900	1,796	1,891	1,674	1,581	1,679	1,694

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