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# TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13

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## Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2017



**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**

**TUCSON, ARIZONA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Issued by:  
Business Office

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## **INTRODUCTORY SECTION**



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# Tanque Verde Unified School District #13

2300 N. Tanque Verde Loop Rd., Bldg. 1

Tucson, Arizona 85749

Phone: 520.749.5751 ▪ Fax: 520.749.5400 ▪ [www.tanqueverdeschools.org](http://www.tanqueverdeschools.org)

February 26, 2018

Citizens and Governing Board  
Tanque Verde Unified School District No. 13  
2300 N. Tanque Verde Loop Road, Bldg. #1  
Tucson, Arizona 85749-8524

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 Tanque Verde Unified School District No. 13 (District) for the fiscal year ended June 30, 2017.

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, 2017, 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, 2017, 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.

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 18 public school districts located in Pima County, Arizona. It provides a program of public education from preschool through grade 12, with current enrollment of approximately 2,040 students. The average age of the District's buildings is 27 years.

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, and food services.

The District is located entirely in Pima County on the far east side of Tucson. The District is bounded on the north and east borders by the Coronado National Forest and by the Saguaro National Park as well as the Tucson Unified School District to the west and Vail School District to the south. The primary assessed valuation increased 1.93% during the 2016-17 school year. The assessed valuation places Tanque Verde in the middle of the other school districts in Pima County. However, the total primary and secondary school tax rate is among the lowest of the districts in the Tucson area. There are a few commercial operations within the District, including several plant nurseries, a golf country club, an internationally known resort, utility substations and a few retail stores. The District is mainly a quiet low density "bedroom community" with residents being in a retired status, or working in professional occupations in the Tucson area for IBM, the University of Arizona, or Raytheon.

Tanque Verde Unified School District student test scores continue to far exceed both the state and national norms and are among the highest in the Tucson area as well as the State of Arizona. The District administrators and board members continue to be active in the Pima County Collaborative, a group composed of school board members and administrators from each district in Pima County. The major goal of the collaborative is to help formulate legislation that affects education in the State of Arizona and to make positive contacts with our legislators to that end.

Lastly, the District continues its membership in the Pima County Joint Technological Education District (JTED). Through JTED, the District offers its students enhanced career and technical education opportunities in such fields as computer technology, drafting and design, graphic communications, health care, and agriculture-science. Enrollment in this program exceeds 150 students, around 28% of our High School population, and continued program offerings will enable our students to receive college credit by successfully completing the required course work. The JTED academic offerings at TVHS have been bolstered with an expansion of the veterinary science program and the expansion of an engineering/precision manufacturing program.

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

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

## **FACTORS AFFECTING FINANCIAL CONDITION**

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

**Local Economy.** The economy of the District is centered on Pima County, which has a population of nearly 1.0 million. The City of Tucson encompasses approximately 226 square miles. Principal economic activities within the District include manufacturing, services, government, education, and tourism. Some of Tucson's largest employers include the following: Davis Monthan Air Force Base, the University of Arizona, and the Raytheon Missile Systems. Tucson is home to one of the world's largest gem, mineral, and fossil shows, and the International Mariachi Festival.

The District consists of two elementary schools, one junior high school, and one high school. Support facilities include District administrative offices, maintenance facilities, and a transportation facility. All campuses and facilities are maintained in a serviceable condition that meets local code and safety standards.

**Long-term Financial Planning.** In the November 2014 election, District voters approved the continuance of a 15% Maintenance and Operations override (continuation of 10% override and 5% special programs override). This was used primarily to fund teacher salaries, to maintain class sizes, to support educational programs and to continue student support services. The previous elections (November 2011 and again in 2012) did not result in District voters approving a new Special Programs Override. In May 2014, a School Board Advisory Committee, Tanque Verde On Target (TOT) was implemented to determine the feasibility of the continuance of a school district maintenance and operations override in November 2014. This 20-member Board Advisory Committee unanimously recommended that the TVUSD Board of Education call for the continuance of a 15% Maintenance and Operations override (continuation of 10% override and 5% special programs override) election for November 14, 2014. With the continued support of the TOT committee and additional local support override passed and is projected to raise \$1.5 million.

The District continues to save an estimated \$150,000 annually in electricity costs and will be for the next 17 years (the savings started in 2012-13). This was the initiative in conjunction with the Tucson Electric Power Company's Energy Rebate Program; a solar company completed a \$5.0 million lease purchase solar project in 2012 on the District's campuses. The project was 100% paid for by the solar company.

With the prior sale of general obligation bonds in the principal amount not to exceed \$14,000,000 in 2009, and the Arizona School Facilities Board award in fiscal year 2009-10, the District was able to make substantial additions and upgrades to its facilities. We built the Emily Gray Junior High School, added building upgrades at the three other school sites, and also added approximately 21,000 square feet of new classroom space at Tanque Verde High School. Student enrollment has remained stable and is anticipated to do so, holding at or around 2,040 students District-wide.

District administrators will continue to be active in the Pima County Collaborative which is composed of school board members and administrators from each district in Pima County. Active participation in the Southern Arizona School Business Officials, Southern Arizona School Personnel Administrators, Southern Arizona Professional Development, Southern Arizona Special Education Administrators, and Council for Exceptional Students, organizations will allow District administrators to meet with their respective professional groups to share training, interests, and concerns.

## **AWARDS AND ACKNOWLEDGMENT**

**Awards.** The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2016. This was the twenty-third consecutive year that the District has received this prestigious award. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2016. In order to be awarded these certificates, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

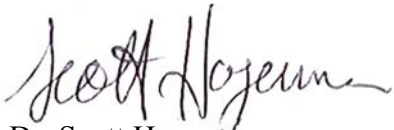
## AWARDS AND ACKNOWLEDGMENT

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, 2017 certificates.

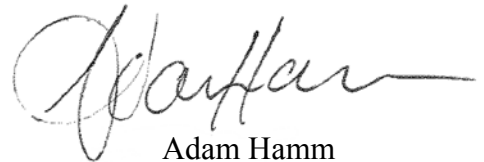
**Acknowledgments.** The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the business office. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

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. Scott Hagerman  
Superintendent



Adam Hamm  
Business Manager



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

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

## **Tanque Verde Unified School District No. 13**

**for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2016.**

The CAFR has been reviewed and met or exceeded  
ASBO International's Certificate of Excellence standards.



A handwritten signature in black ink, appearing to read 'Anthony N. Dragona', written over a horizontal line.

Anthony N. Dragona, Ed.D., RSBA  
President

A handwritten signature in black ink, appearing to read 'John D. Musso', written over a horizontal line.

John D. Musso, CAE  
Executive Director



Government Finance Officers Association

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

Presented to

**Tanque Verde Unified School  
District No. 13, Arizona**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

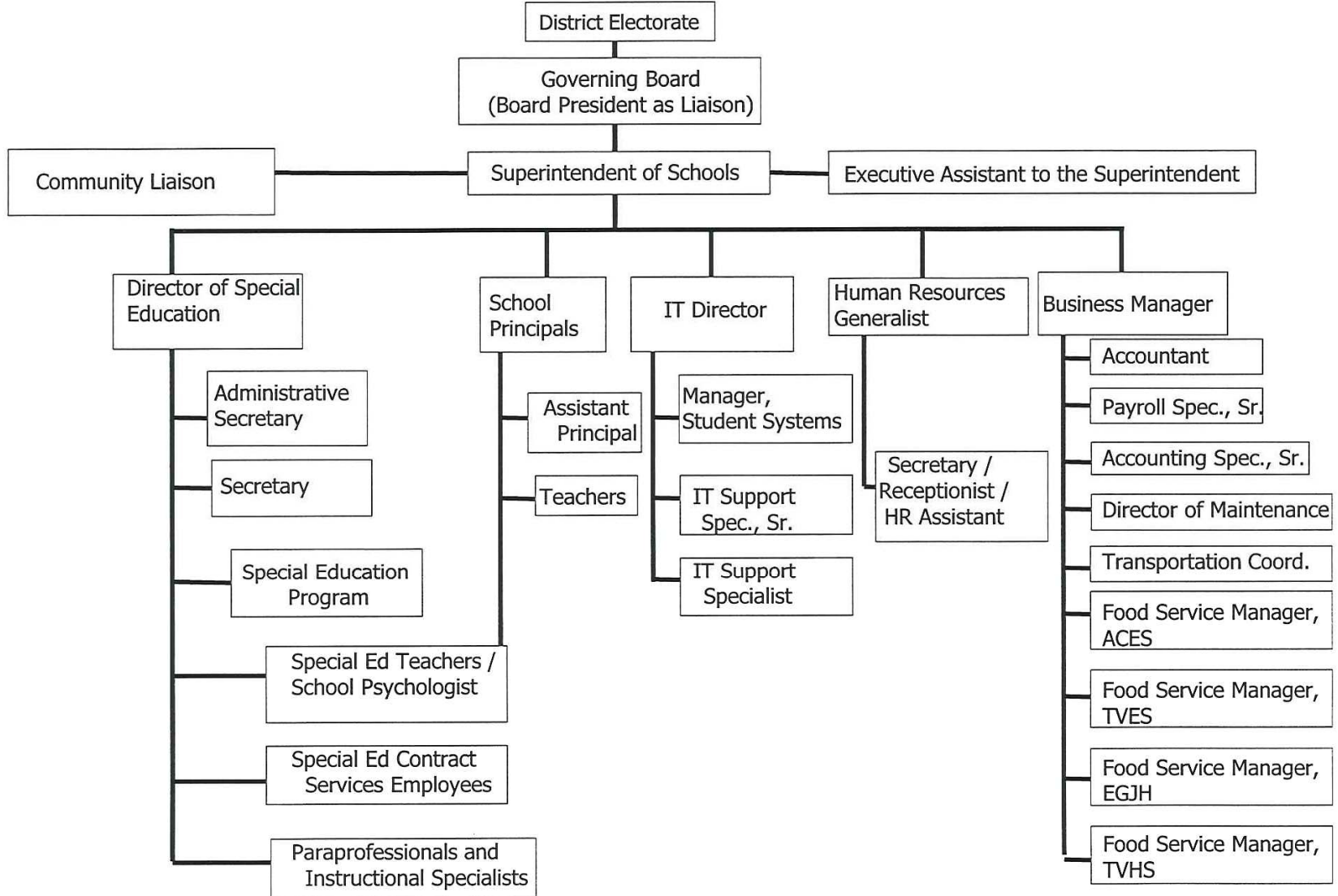
**June 30, 2016**

*Christopher P. Morill*

Executive Director/CEO



## Tanque Verde Unified School District No. 13 Organizational Structure



**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**

**LIST OF PRINCIPAL OFFICIALS**

**GOVERNING BOARD**

Carlos Ruiz, President

Jeffrey M. Neff, Clerk

Steven Auslander, Member

Susan Fry, Member

Jeremy Schalk, Member

**ADMINISTRATIVE STAFF**

Dr. Scott Hagerman  
Superintendent

Adam Hamm  
Business Manager

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**FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

Governing Board  
Tanque Verde Unified School District No. 13

### **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 Tanque Verde Unified School District No. 13 (District), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Tanque Verde Unified School District No. 13, as of June 30, 2017, 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, and net pension liability 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 February 26, 2018, on our consideration of Tanque Verde Unified School District No. 13'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 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 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 Tanque Verde Unified School District No. 13's internal control over financial reporting and compliance.

*Heinfeld, Meech & Co., P.C.*

Heinfeld, Meech & Co., P.C.  
Tucson, Arizona  
February 26, 2018

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



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**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2017**

As management of the Tanque Verde Unified School District No. 13 (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, 2017. 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 decreased \$319,347 which represents a 20 percent decrease from the prior fiscal year due to continued expense levels that exceed available revenues.
- General revenues accounted for \$14.0 million in revenue, or 83 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$2.8 million or 17 percent of total current fiscal year revenues.
- The District had approximately \$17.2 million in expenses related to governmental activities, a decrease of one percent from the prior fiscal year.
- Among major funds, the General Fund had \$13.3 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$12.6 million in expenditures. The General Fund's fund balance increase from \$1.8 million at the prior fiscal year end to \$2.5 million at the end of the current fiscal year was primarily due to increased property tax revenue allocations.
- The Special Education Grants Fund had \$275,543 in revenues and total expenditures were \$275,543.
- The Unrestricted Capital Outlay Fund had \$108,019 in revenues and total expenditures were \$454,333. The Unrestricted Capital Outlay Fund's fund balance decrease from \$15,353 at the prior fiscal year end to a deficit fund balance of \$158,902 was primarily due to a decrease in property tax revenue allocations and increased debt service costs associated with capital leases.

### **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.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2017**

## **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.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2017**

## **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, Special Education Grants, and Unrestricted Capital Outlay Funds, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and schedules.

**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 and the major special revenue fund as required supplementary information. Schedules for the pension plan 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 \$1.3 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, and vehicles, furniture and equipment), 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.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2017**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2017 and June 30, 2016.

	As of June 30, 2017	As of June 30, 2016
Current assets	\$ 3,966,903	\$ 4,021,905
Capital assets, net	24,081,912	24,641,852
Total assets	<u>28,048,815</u>	<u>28,663,757</u>
 Deferred outflows	 <u>2,850,632</u>	 <u>2,010,559</u>
 Current liabilities	 650,715	 617,521
Long-term liabilities	27,037,069	27,115,636
Total liabilities	<u>27,687,784</u>	<u>27,733,157</u>
 Deferred inflows	 <u>1,897,560</u>	 <u>1,393,107</u>
 Net position:		
Net investment in capital assets	12,982,690	13,018,852
Restricted	849,448	1,482,005
Unrestricted	(12,518,035)	(12,952,805)
Total net position	<u>\$ 1,314,103</u>	<u>\$ 1,548,052</u>

The District's financial position is the product of several financial transactions including the net result of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

The following are significant current year transactions that had an impact on the Statement of Net Position.

- The addition of \$795,559 in accumulated depreciation through current year depreciation expense.
- The addition of \$235,619 in capital assets through other school improvements and purchases of vehicles, furniture and equipment.
- The principal retirement of \$625,000 in bonds payable.
- The increase of \$560,911 in pension liabilities.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2017**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

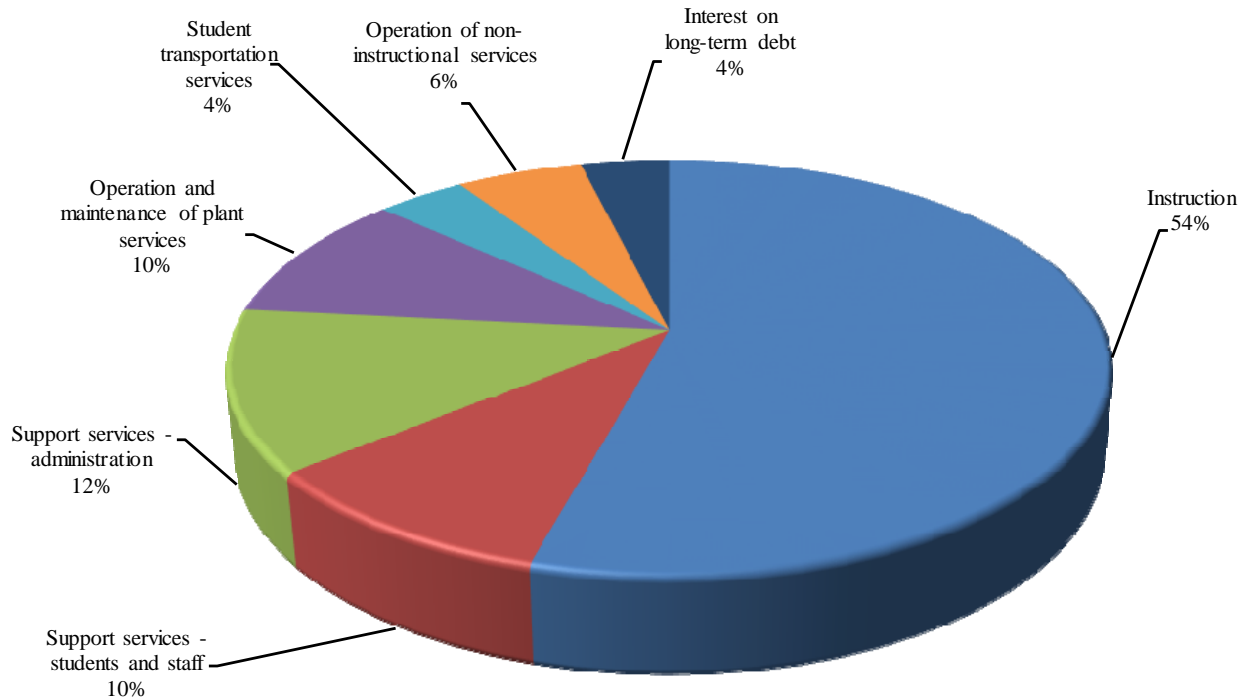
**Changes in net position.** The District's total revenues for the current fiscal year were \$16.9 million. The total cost of all programs and services was \$17.2 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2017 and June 30, 2016.

	Fiscal Year Ended June 30, 2017	Fiscal Year Ended June 30, 2016
<b>Revenues:</b>		
Program revenues:		
Charges for services	\$ 1,729,527	\$ 1,595,714
Operating grants and contributions	1,083,363	846,658
Capital grants and contributions	32,980	95,214
General revenues:		
Property taxes	7,159,150	7,309,835
Investment income	25,268	16,399
Unrestricted county aid	414,860	402,109
Unrestricted state aid	6,416,947	6,323,234
<b>Total revenues</b>	<u>16,862,095</u>	<u>16,589,163</u>
<b>Expenses:</b>		
Instruction	9,324,714	10,021,236
Support services – students and staff	1,698,074	1,584,374
Support services – administration	2,145,503	2,234,179
Operation and maintenance of plant	1,738,247	1,535,988
Student transportation services	669,216	501,094
Operation of non-instructional	945,803	873,531
Interest on long-term debt	659,885	666,341
<b>Total expenses</b>	<u>17,181,442</u>	<u>17,416,743</u>
<b>Changes in net position</b>	(319,347)	(827,580)
<b>Net position, beginning</b>	<u>1,548,052</u>	<u>3,257,735</u>
<b>Net effect of prior period adjustments</b>	<u>85,398</u>	<u>(882,103)</u>
<b>Net position, beginning restated</b>	<u>1,633,450</u>	<u>2,375,632</u>
<b>Net position, ending</b>	<u>\$ 1,314,103</u>	<u>\$ 1,548,052</u>

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2017**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Expenses - Fiscal Year 2017**



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

- The \$696,522 decrease in expenses for instruction was primarily due to reductions in spending and proper classification of expenditures.
- Operating grants and contributions increased \$236,705 due to increased bond subsidies.

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.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2017**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

	Year Ended June 30, 2017		Year Ended June 30, 2016	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 9,324,714	\$ (8,069,845)	\$ 10,021,236	\$ (8,832,115)
Support services - students and staff	1,698,074	(1,653,466)	1,584,374	(1,487,849)
Support services - administration	2,145,503	(2,145,503)	2,234,179	(2,234,179)
Operation and maintenance of plant services	1,738,247	(1,679,629)	1,535,988	(1,526,669)
Student transportation services	669,216	(669,216)	501,094	(501,094)
Operation of non-instructional services	945,803	237,590	873,531	264,961
Interest on long-term debt	659,885	(355,503)	666,341	(562,212)
<b>Total</b>	<b>\$ 17,181,442</b>	<b>\$ (14,335,572)</b>	<b>\$ 17,416,743</b>	<b>\$ (14,879,157)</b>

- The cost of all governmental activities this year was \$17.2 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$2.8 million.
- Net cost of governmental activities of \$14.3 million was financed by general revenues, which are made up of primarily property taxes of \$7.2 million and state and county aid of \$6.8 million. Investment earnings accounted for \$25,268 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 \$3.2 million, a decrease of \$116,906.



**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2017**

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

The General Fund comprises 78 percent of the total fund balance. At year end, the General Fund's entire \$2.5 million fund balance was unassigned.

The General Fund is the principal operating fund of the District. The increase in fund balance of \$1.8 million to \$2.5 million as of fiscal year end was a result of increased property tax revenue allocations. General Fund revenues increased \$1.3 million. General Fund expenditures increased \$106,602.

The Special Education Grants Fund had \$275,543 in revenues and total expenditures were \$275,543.

The Unrestricted Capital Outlay Fund had \$280,078 in revenues and other financing sources and total expenditures were \$454,333.

**BUDGETARY HIGHLIGHTS**

Over the course of the year, the District revised the General Fund annual expenditure budget for changes in estimated student enrollment. The difference between the original budget and the final amended budget was a \$384,909 decrease, or three percent.

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

- The favorable variance of \$265,151 in instruction was a result of the District budgeting for potential expenditures related to the classroom.
- The favorable variance of \$123,370 in transportation was a result of the District budgeting for potential increased usage of District vehicles.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2017**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** At year end, the District had invested \$37.8 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 \$47,856. Total depreciation expense for the current fiscal year was \$795,559.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2017 and June 30, 2016.

	As of June 30, 2017	As of June 30, 2016
Capital assets - non-depreciable	\$ 679,272	\$ 679,272
Capital assets - depreciable, net	23,402,640	23,962,580
Total	\$ 24,081,912	\$ 24,641,852

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

**Debt Administration.** At year end, the District had \$11.9 million in long-term debt outstanding, \$800,698 due within one year. Long-term debt decreased by \$581,111.

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 \$57.5 million and the Class B debt limit is \$38.3 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 7 through 9.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2017**

**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 2017-18 budget. Among them:

- Fiscal year 2016-17 budget balance carry forward.
- District student population.
- Employee salary and benefit rates.

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

Budgeted expenditures in the General Fund increased three percent to \$13.0 million in fiscal year 2017-18. The state's base support level is expected to increase 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 2017-18 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 Office; Tanque Verde Unified School District No. 13; 2300 North Tanque Verde Loop, Building #1; Tucson, Arizona 85749.

## **BASIC FINANCIAL STATEMENTS**

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**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2017**

	Governmental Activities
<b><u>ASSETS</u></b>	
Current assets:	
Cash and investments	\$ 1,339,021
Property taxes receivable	216,011
Due from governmental entities	2,411,871
Total current assets	3,966,903
Noncurrent assets:	
Capital assets not being depreciated	679,272
Capital assets, net of accumulated depreciation	23,402,640
Total noncurrent assets	24,081,912
<b>Total assets</b>	<b>28,048,815</b>
 <b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>	
Pension plan items	2,850,632
 <b><u>LIABILITIES</u></b>	
Current liabilities:	
Accounts payable	138,056
Accrued payroll and employee benefits	512,659
Compensated absences payable	93,818
Obligations under capital leases	125,698
Bonds payable	675,000
Total current liabilities	1,545,231
Noncurrent liabilities:	
Non-current portion of long-term obligations	26,142,553
Total noncurrent liabilities	26,142,553
<b>Total liabilities</b>	<b>27,687,784</b>
 <b><u>DEFERRED INFLOWS OF RESOURCES</u></b>	
Pension plan items	1,897,560
 <b><u>NET POSITION</u></b>	
Net investment in capital assets	12,982,690
Restricted for:	
Teacher compensation	125,682
Food service	57,711
Community school	143,149
Auxiliary operations	359,712
Other local initiatives	37,751
Debt service	124,157
Capital outlay	1,286
Unrestricted	(12,518,035)
<b>Total net position</b>	<b>\$ 1,314,103</b>

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

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2017**

<b>Functions/Programs</b>	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Governmental activities:</b>					
Instruction	\$ 9,324,714	\$ 729,098	\$ 492,791	\$ 32,980	\$ (8,069,845)
Support services - students and staff	1,698,074		44,608		(1,653,466)
Support services - administration	2,145,503				(2,145,503)
Operation and maintenance of plant services	1,738,247	58,618			(1,679,629)
Student transportation services	669,216				(669,216)
Operation of non-instructional services	945,803	941,811	241,582		237,590
Interest on long-term debt	659,885		304,382		(355,503)
<b>Total governmental activities</b>	<u>\$ 17,181,442</u>	<u>\$ 1,729,527</u>	<u>\$ 1,083,363</u>	<u>\$ 32,980</u>	<u>(14,335,572)</u>

**General revenues:**

Taxes:

Property taxes, levied for general purposes	7,000,432
Property taxes, levied for debt service	158,718
Investment income	25,268
Unrestricted county aid	414,860
Unrestricted state aid	6,416,947
<b>Total general revenues</b>	<u>14,016,225</u>

**Changes in net position** (319,347)

**Net position, beginning of year, as restated** 1,633,450

**Net position, end of year** \$ 1,314,103

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



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**FUND FINANCIAL STATEMENTS**

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2017**

	General	Special Education Grants	Unrestricted Capital Outlay
<b><u>ASSETS</u></b>			
Cash and investments	\$ 556,592	\$	\$
Property taxes receivable	216,011		
Due from governmental entities	1,770,672	272,129	33,217
Due from other funds	652,044		
<b>Total assets</b>	<b>\$ 3,195,319</b>	<b>\$ 272,129</b>	<b>\$ 33,217</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 106,754	\$	\$
Due to other funds		272,129	192,119
Accrued payroll and employee benefits	462,923		
<b>Total liabilities</b>	<b>569,677</b>	<b>272,129</b>	<b>192,119</b>
Deferred inflows of resources:			
Unavailable revenues - property taxes	163,888		
Fund balances (deficits):			
Restricted			
Unassigned	2,461,754		(158,902)
<b>Total fund balances</b>	<b>2,461,754</b>		<b>(158,902)</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <b>\$ 3,195,319</b>	 <b>\$ 272,129</b>	 <b>\$ 33,217</b>

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 782,429	\$ 1,339,021
335,853	216,011
	2,411,871
	652,044
<u>\$ 1,118,282</u>	<u>\$ 4,618,947</u>

\$ 31,302	\$ 138,056
187,796	652,044
49,736	512,659
<u>268,834</u>	<u>1,302,759</u>

	163,888
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849,448	849,448
	2,302,852
<u>849,448</u>	<u>3,152,300</u>

<u>\$ 1,118,282</u>	<u>\$ 4,618,947</u>
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**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2017**

<b>Total governmental fund balances</b>	<b>\$</b>	<b>3,152,300</b>
<p>Amounts reported for <i>governmental activities</i> in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		
Governmental capital assets	\$ 37,838,423	
Less accumulated depreciation	<u>(13,756,511)</u>	24,081,912
<p>Property taxes receivable are not available to pay for current period expenditures and, therefore, are reported as unavailable revenues in the funds.</p>		
		163,888
<p>Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.</p>		
Deferred outflows of resources related to pensions	2,850,632	
Deferred inflows of resources related to pensions	<u>(1,897,560)</u>	953,072
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.</p>		
Compensated absences payable	(469,090)	
Obligations under capital leases	(1,283,366)	
Net pension liability	(14,699,613)	
Bonds payable	<u>(10,585,000)</u>	<u>(27,037,069)</u>
<b>Net position of governmental activities</b>	<b>\$</b>	<b><u>1,314,103</u></b>

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

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2017**

	General	Special Education Grants	Unrestricted Capital Outlay
<b>Revenues:</b>			
Other local	\$ 857,295	\$	\$ 9,242
Property taxes	7,025,321		1,078
State aid and grants	5,411,888		97,699
Federal aid, grants and reimbursements		275,543	
<b>Total revenues</b>	13,294,504	275,543	108,019
<b>Expenditures:</b>			
Current -			
Instruction	6,969,448	239,328	
Support services - students and staff	1,232,776	30,675	
Support services - administration	2,037,881		
Operation and maintenance of plant services	1,684,449		
Student transportation services	590,594		
Operation of non-instructional services	162		
Capital outlay	27,449	5,540	364,365
Debt service -			
Principal retirement	57,333		70,837
Interest and fiscal charges	25,373		19,131
<b>Total expenditures</b>	12,625,465	275,543	454,333
<b>Excess (deficiency) of revenues over expenditures</b>	669,039		(346,314)
<b>Other financing sources (uses):</b>			
Transfers in	2,241		
Transfers out	(8,207)		
Capital lease agreements			172,059
Insurance recoveries	33,997		
<b>Total other financing sources (uses)</b>	28,031		172,059
<b>Changes in fund balances</b>	697,070		(174,255)
<b>Fund balances, beginning of year, as restated</b>	1,764,684		15,353
<b>Fund balances, end of year</b>	\$ 2,461,754	\$	\$ (158,902)

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 1,421,967	\$ 2,288,504
189,439	7,215,838
930,899	6,440,486
664,415	939,958
<u>3,206,720</u>	<u>16,884,786</u>
1,211,851	8,420,627
378,061	1,641,512
15,390	2,053,271
1,306	1,685,755
	590,594
910,931	911,093
94,487	491,841
625,000	753,170
615,381	659,885
<u>3,852,407</u>	<u>17,207,748</u>
<u>(645,687)</u>	<u>(322,962)</u>
202,045	204,286
(196,079)	(204,286)
	172,059
	33,997
<u>5,966</u>	<u>206,056</u>
<u>(639,721)</u>	<u>(116,906)</u>
1,489,169	3,269,206
<u>\$ 849,448</u>	<u>\$ 3,152,300</u>



**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2017**

**Changes in fund balances - total governmental funds** **\$ (116,906)**

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	\$ 235,619	
Less current year depreciation	<u>(795,559)</u>	(559,940)

Capital lease agreements provide current financial resources to governmental funds, but the issuance increases long term liabilities in the Statement of Net Position.		(172,059)
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Property tax revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		(56,688)
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Repayments of long-term debt principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Capital lease principal retirement	128,170	
Bond principal retirement	<u>625,000</u>	753,170

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

Current year pension contributions	977,493	
Pension expense	<u>(1,202,784)</u>	(225,291)

Compensated absence 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.		<u>58,367</u>
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**Changes in net position in governmental activities** **\$ (319,347)**

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

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2017**

	Agency
<b><u>ASSETS</u></b>	
Cash and investments	\$ 152,045
<b>Total assets</b>	<b>\$ 152,045</b>
 <b><u>LIABILITIES</u></b>	
Deposits held for others	\$ 4,862
Due to student groups	147,183
<b>Total liabilities</b>	<b>\$ 152,045</b>

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

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Tanque Verde Unified School District No. 13 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

**A. Reporting Entity**

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

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

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

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

**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.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**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 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. 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.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. 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 purposes but do not meet the criteria for separate reporting in the financial statements.

Special Education Grants Fund – The Special Education Grants Fund accounts for supplemental financial assistance received to provide a free, appropriate public education to disabled children.

Unrestricted Capital Outlay Fund – The Unrestricted Capital Outlay Fund accounts for transactions relating to the acquisition of capital items.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Additionally, the District reports the following fund type:

Fiduciary Funds – The Fiduciary Fund is an Agency Fund which account for resources held by the District on behalf of others. This fund type includes the Student Activities Fund, which accounts for monies raised by students to finance student clubs and organizations held by the District as an agent. 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 on 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 which 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. 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. Statute requires collateral for deposits of Bond Building and Debt Service Funds monies in interest bearing savings accounts and certificates of deposit at 101 percent of all deposits not covered by federal depository insurance.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**E. Investment Income**

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

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**H. Prepaid Items**

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

**I. Capital Assets**

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

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

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

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

Land improvements	5 - 50 years
Buildings and improvements	5 - 50 years
Vehicles, furniture and equipment	5 - 40 years

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

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

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



**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**K. Compensated Absences**

The District's employee vacation and sick leave policies generally provide for granting vacation and sick leave with pay. All employees continuously employed by the District for more than three years may accrue sick leave up to a maximum of 180 days. All full-time classified employees earn vacation at rates depending on length of service; however, accumulated vacation as of June 30 cannot exceed 40 days at the end of any fiscal year. The current and long-term liabilities, including related benefits, for accumulated vacation and sick leave are reported on the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee leave, resignations and retirements. Generally, resources from the General Fund are used to pay for compensated absences.

**L. Pensions**

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

**M. Long-term Obligations**

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

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.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**N. Interfund Activity**

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

**O. Net Position Flow Assumption**

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

**P. Estimates**

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

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

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

***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.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

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

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

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

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

	General Fund	Unrestricted Capital Outlay Fund	Non-Major Governmental Funds
Fund Balances:			
Restricted:			
Debt service	\$	\$	\$ 124,157
Capital projects			1,286
Teacher compensation			125,682
Auxiliary operations			359,712
Food service			57,711
Community school			143,149
Other purposes			37,751
Unassigned	2,461,754	(158,902)	
Total fund balances	\$ 2,461,754	\$ (158,902)	\$ 849,448

**NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Individual Deficit Fund Balance** – At year end, the Unrestricted Capital Outlay Fund, a major governmental fund, reported a deficit of \$158,902 in fund balance.

The deficit arose because of operations during the year. Additional revenues received in fiscal year 2017-18 are expected to eliminate the deficit.

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

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**NOTE 4 – CASH AND INVESTMENTS**

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of bank failure the District’s deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District’s deposits was \$538,640 and the bank balance was \$1,156,629. At year end, \$737,727 of the District’s deposits were covered by collateral held by the pledging financial institution’s trust department or agent but not in the District’s name.

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

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

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

	Average Maturities	Fair Value
County Treasurer’s investment pool	306 days	\$ 952,426

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

*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 pools 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.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**NOTE 5 – RECEIVABLES**

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

	General Fund	Special Education Grants Fund	Unrestricted Capital Outlay Fund	Non-Major Governmental Funds
Due from other governmental entities:				
Due from federal government	\$	\$ 272,129	\$	\$ 229,819
Due from state government	1,770,672		33,217	1,515
Due from other districts				104,519
Net due from governmental entities	<u>\$ 1,770,672</u>	<u>\$ 272,129</u>	<u>\$ 33,217</u>	<u>\$ 335,853</u>

**NOTE 6 – CAPITAL ASSETS**

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

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 679,272	\$	\$	\$ 679,272
Total capital assets, not being depreciated	<u>679,272</u>			<u>679,272</u>
Capital assets, being depreciated:				
Land improvements	1,166,048	7,800		1,173,848
Buildings and improvements	33,249,814	44,528		33,294,342
Vehicles, furniture and equipment	2,695,433	183,291	187,763	2,690,961
Total capital assets being depreciated	<u>37,111,295</u>	<u>235,619</u>	<u>187,763</u>	<u>37,159,151</u>
Less accumulated depreciation for:				
Land improvements	(426,309)	(31,614)		(457,923)
Buildings and improvements	(10,352,960)	(686,274)		(11,039,234)
Vehicles, furniture and equipment	(2,369,446)	(77,671)	(187,763)	(2,259,354)
Total accumulated depreciation	<u>(13,148,715)</u>	<u>(795,559)</u>	<u>(187,763)</u>	<u>(13,756,511)</u>
Total capital assets, being depreciated, net	<u>23,962,580</u>	<u>(559,940)</u>		<u>23,402,640</u>
Governmental activities capital assets, net	<u>\$ 24,641,852</u>	<u>\$ (559,940)</u>	<u>\$</u>	<u>\$ 24,081,912</u>

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**NOTE 6 – CAPITAL ASSETS**

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 629,238
Support services – students and staff	1,761
Support services – administration	65,097
Operation and maintenance of plant services	21,955
Student transportation services	50,420
Operation of non-instructional services	27,088
Total depreciation expense – governmental activities	<u>\$ 795,559</u>

**NOTE 7 – OBLIGATIONS UNDER CAPITAL LEASES**

The District has acquired stadium lighting and seating upgrades, utility management, energy efficient equipment, and a bus under the provisions of long-term lease agreements classified as capital leases. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. Revenues from the General Fund and Unrestricted Capital Outlay Fund are used to pay the capital lease obligations. Amortization of assets recorded under capital leases is included with depreciation expense.

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

	<u>Governmental Activities</u>
Asset:	
Building improvements	\$ 413,000
Vehicles, furniture and equipment	172,059
Less: Accumulated depreciation	26,482
Total	<u>\$ 558,577</u>

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**NOTE 7 – OBLIGATIONS UNDER CAPITAL LEASES**

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

Year Ending June 30:	Governmental Activities
2018	\$ 172,674
2019	172,674
2020	172,674
2021	172,674
2022	136,137
2023-27	627,255
2028-30	92,706
Total minimum lease payments	1,546,794
Less: amount representing interest	263,428
Present value of minimum lease payments	\$ 1,283,366
Due within one year	\$ 125,698

**NOTE 8 – GENERAL OBLIGATION BONDS PAYABLE**

Bonds payable at year end consisted of the following general obligation bonds. The bonds are callable 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 improvement 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 due on the bonds.

Purpose	Original Amount Issued	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2017	Due Within One Year
<b>Governmental activities:</b>					
School Improvement Bonds, Build America, Series 2010 (Class B)	\$ 11,785,000	4.673-6.073%	7/1/18-29	\$ 10,585,000	\$ 675,000



**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**NOTE 8 – GENERAL OBLIGATION BONDS PAYABLE**

Year ending June 30:	Governmental Activities	
	Principal	Interest
2018	\$ 675,000	\$ 570,953
2019	720,000	537,639
2020	740,000	501,511
2021	770,000	463,010
2022	825,000	421,137
2023-27	4,725,000	1,351,833
2028-29	2,130,000	130,003
Total	<u>\$ 10,585,000</u>	<u>\$ 3,976,086</u>

**NOTE 9 – CHANGES IN LONG-TERM LIABILITIES**

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
General obligation bonds	\$11,210,000	\$	\$ 625,000	\$ 10,585,000	\$ 675,000
Obligations under capital leases	1,239,477	172,059	128,170	1,283,366	125,698
Net pension liability	14,138,702	560,911		14,699,613	
Compensated absences payable	527,457	245,738	304,105	469,090	93,818
Governmental activity long-term liabilities	<u>\$27,115,636</u>	<u>\$ 978,708</u>	<u>\$1,057,275</u>	<u>\$ 27,037,069</u>	<u>\$ 894,516</u>

**NOTE 10 – INTERFUND RECEIVABLES AND PAYABLES**

At year end, interfund balances were as follows:

**Due to/from other funds** – At year end, the Special Education and Unrestricted Capital Outlay Funds, major governmental funds, and several non-major governmental funds had negative cash balances of \$272,129, \$192,119, and \$187,796 respectively, in the Treasurer’s pooled cash accounts. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with the General Fund. All interfund balances are expected to be paid within one year.

**Interfund transfers** – Transfers of \$204,286 between funds were used to (1) move cash balances remaining in several discontinued funds, and (2) move Community School collections made in the Auxiliary Operations Fund.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**NOTE 11 – 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 12 – PRIOR PERIOD ADJUSTMENT AND RECLASSIFICATION**

The July 1, 2016, government-wide net position and fund balances do not agree to the prior year financial statements due to an error correction and a reclassification of fund balances. The error was caused by incorrectly reported cash balances in the prior year.

	Governmental Activities	General Fund	Non-Major Governmental Funds
Net position/fund balance, June 30, 2016, as previously reported	\$ 1,548,052	\$ 1,764,369	\$ 1,404,086
Error correction	85,398		85,398
Advertisement Fund reclassification		315	(315)
Net position/fund balance, July 1, 2016, as restated	<u>\$ 1,633,450</u>	<u>\$ 1,764,684</u>	<u>\$ 1,489,169</u>

**NOTE 13 – RISK MANAGEMENT**

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

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

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**NOTE 13 – RISK MANAGEMENT**

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

The District's employees have health and accident insurance coverage with the Arizona School Board Association Insurance Trust (ASBAIT). ASBAIT is a public entity risk pool currently operating as a common risk management and insurance program for school districts in the State. The District pays a monthly premium to ASBAIT for employees' health and accident insurance coverage. The agreement provides that ASBAIT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts.

The District continues to carry commercial insurance for employee dental, vision, and life coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

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

\*With actuarially reduced benefits

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

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

**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 11.48 percent (11.34 percent for retirement and 0.14 percent for long-term disability) of the members’ annual covered payroll, and the District was required by statute to contribute at the actuarially determined rate of 11.48 percent (10.78 percent for retirement, 0.56 percent for health insurance premium benefit, and 0.14 percent for long-term disability) of the active members’ annual covered payroll. The District’s contributions to the pension plan for the year ended June 30, 2017 were \$977,493.

In addition, the District was required by statute to contribute at the actuarially determined rate of 9.47 percent (9.17 for retirement, 0.21 percent for health insurance premium benefit, and 0.09 percent for long-term disability) of annual covered payroll of retired members who worked in positions that would typically be filled by an employee who contributes to ASRS.

The District’s contributions for the current and two preceding years for OPEB, all of which were equal to the required contributions, were as follows:

		Health Benefit Supplement Fund		Long-Term Disability Fund
Year ending June 30:				
2017	\$	50,779	\$	12,695
2016		43,534		10,448
2015		49,430		10,054

**Pension Liability.** At June 30, 2017, the District reported a liability of \$14.7 million for its proportionate share of the net pension liability of the ASRS. The net pension liability was measured as of June 30, 2016. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2015, to the measurement date of June 30, 2016. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2016, the District’s proportion was 0.09 percent, which was no change from its proportion measured as of June 30, 2015.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

**Pension Expense and Deferred Outflows/Inflows of Resources.** The District has deferred outflows and inflows of resources related to the net pension liability of retirement benefits. Certain changes in the net pension liability are recognized as pension expense over a period of time rather than the year of occurrence. For the year ended June 30, 2017, the District recognized pension expense of \$1.2 million and reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 89,329	\$ 1,011,226
Changes of assumptions or other inputs		777,727
Net difference between projected and actual earnings on pension plan investments	1,592,949	
Changes in proportion and differences between contributions and proportionate share of contributions	190,861	108,607
Contributions subsequent to the measurement date	977,493	
Total	<u>\$ 2,850,632</u>	<u>\$ 1,897,560</u>

The deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:		
2018	\$	(609,830)
2019		(513,390)
2020		652,141
2021		446,658

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

Actuarial valuation date	June 30, 2015
Actuarial roll forward date	June 30, 2016
Actuarial cost method	Entry age normal
Investment rate of return	8.0%
Projected salary increases	3.0-6.75%
Inflation	3.0%
Permanent base increases	Included
Mortality rates	1994 GAM Scale BB

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2012. 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, 2013, actuarial valuation. The study did not include an analysis of the assumed investment rate of return.

The long-term expected rate of return on ASRS pension plan investments was determined to be 8.75 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan 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 and by adding expected inflation.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	58%	6.73%
Fixed income	25	3.70
Real estate	10	4.25
Multi-asset	5	3.41
Commodities	2	3.84
Total	<u>100%</u>	

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

**Discount Rate.** The discount rate used to measure the ASRS total pension liability was 8.0 percent, which is less than the long-term expected rate of return of 8.75 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board’s funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.** The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 8.0 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (7.0%)	Current Discount Rate (8.0%)	1% Increase (9.0%)
Proportionate share of the net pension liability	\$18,743,123	\$14,699,613	\$11,457,602

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



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**REQUIRED SUPPLEMENTARY INFORMATION**

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL**  
**YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Other local	\$	\$	\$ 685,891	\$ 685,891
Property taxes			7,025,321	7,025,321
State aid and grants			5,411,888	5,411,888
<b>Total revenues</b>			<u>13,123,100</u>	<u>13,123,100</u>
<b>Expenditures:</b>				
Current -				
Instruction	8,166,352	7,174,132	6,908,981	265,151
Support services - students and staff	1,012,871	1,191,399	1,161,086	30,313
Support services - administration	1,953,341	2,008,040	2,032,806	(24,766)
Operation and maintenance of plant services	1,160,728	1,596,300	1,639,878	(43,578)
Student transportation services	755,648	711,500	588,130	123,370
Operation of non-instructional services	20,340	3,000		3,000
Capital outlay			6,081	(6,081)
Debt service -				
Principal retirement			57,333	(57,333)
Interest and fiscal charges			25,373	(25,373)
<b>Total expenditures</b>	<u>13,069,280</u>	<u>12,684,371</u>	<u>12,419,668</u>	<u>264,703</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(13,069,280)</u>	<u>(12,684,371)</u>	<u>703,432</u>	<u>13,387,803</u>
<b>Other financing sources (uses):</b>				
Transfers in			17,335	17,335
Transfers out			(23,191)	(23,191)
<b>Total other financing sources (uses)</b>			<u>(5,856)</u>	<u>(5,856)</u>
<b>Changes in fund balances</b>	<u>(13,069,280)</u>	<u>(12,684,371)</u>	<u>697,576</u>	<u>13,381,947</u>
<b>Fund balances, beginning of year</b>			1,605,657	1,605,657
<b>Fund balances (deficits), end of year</b>	<u>\$ (13,069,280)</u>	<u>\$ (12,684,371)</u>	<u>\$ 2,303,233</u>	<u>\$ 14,987,604</u>

See accompanying notes to this schedule.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
SPECIAL EDUCATION GRANTS  
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	<u>Original &amp; Final</u>	<u>Actual</u>	<u>(Negative)</u>
<b>Revenues:</b>			
Federal aid, grants and reimbursements	\$	\$ 275,543	\$ 275,543
<b>Total revenues</b>		<u>275,543</u>	<u>275,543</u>
<b>Expenditures:</b>			
Current -			
Instruction		239,328	(239,328)
Support services - students and staff		30,675	(30,675)
Capital outlay		<u>5,540</u>	<u>(5,540)</u>
<b>Total expenditures</b>		<u>275,543</u>	<u>(275,543)</u>
<b>Changes in fund balances</b>			
<b>Fund balances, beginning of year</b>			
<b>Fund balances, end of year</b>	<u>\$</u>	<u>\$</u>	<u>\$</u>

See accompanying notes to this schedule.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**ARIZONA STATE RETIREMENT SYSTEM**  
**LAST THREE FISCAL YEARS**

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Measurement date	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.09%	0.09%	0.09%
District's proportionate share of the net pension liability (asset)	\$ 14,699,613	\$ 14,138,702	\$ 13,687,116
District's covered payroll	\$ 8,706,710	\$ 8,377,952	\$ 8,102,832
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	168.83%	168.76%	168.92%
Plan fiduciary net position as a percentage of the total pension liability	67.06%	68.35%	69.49%

**SCHEDULE OF CONTRIBUTIONS**  
**ARIZONA STATE RETIREMENT SYSTEM**  
**LAST THREE FISCAL YEARS**

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 977,493	\$ 944,678	\$ 912,359
Contributions in relation to the actuarially determined contribution	<u>977,493</u>	<u>944,678</u>	<u>912,359</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 9,067,653	\$ 8,706,710	\$ 8,377,952
Contributions as a percentage of covered payroll	10.78%	10.85%	10.89%

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

See accompanying notes to this schedule.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
 JUNE 30, 2017**

**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.

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	\$ 12,625,465	\$ 2,461,754
Activity budgeted as special revenue funds	(205,797)	(158,521)
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	\$ 12,419,668	\$ 2,303,233

**NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Excess Expenditures Over Budget** – At year end, the Special Education Grants Fund, a major governmental fund, had expenditures of \$275,543 that exceeded the budget of zero by \$275,543; however, this does not constitute a violation of any legal provisions.

**NOTE 3 – PENSION PLAN SCHEDULES**

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

**Factors that Affect Trends.** The actuarial assumptions used in the June 30, 2015, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2012. 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, 2013, actuarial valuation. The study did not include an analysis of the assumed investment rate of return.

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



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**GOVERNMENTAL FUNDS**

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**JUNE 30, 2017**

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 757,113	\$ 24,030	\$ 1,286
Due from governmental entities	235,726	100,127	
<b>Total assets</b>	<u>\$ 992,839</u>	<u>\$ 124,157</u>	<u>\$ 1,286</u>
 <b><u>LIABILITIES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 31,302	\$	\$
Due to other funds	187,796		
Accrued payroll and employee benefits	49,736		
<b>Total liabilities</b>	<u>268,834</u>		
Fund balances:			
Restricted	724,005	124,157	1,286
<b>Total fund balances</b>	<u>724,005</u>	<u>124,157</u>	<u>1,286</u>
 <b>Total liabilities and fund balances</b>	 <u>\$ 992,839</u>	 <u>\$ 124,157</u>	 <u>\$ 1,286</u>

Total Non-Major  
Governmental  
Funds

\$ 782,429  
335,853  
\$ 1,118,282

\$ 31,302  
187,796  
49,736  
268,834

849,448  
849,448

\$ 1,118,282

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**YEAR ENDED JUNE 30, 2017**

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
<b>Revenues:</b>			
Other local	\$ 1,417,453	\$ 4,504	\$ 10
Property taxes		189,439	
State aid and grants	929,999		900
Federal aid, grants and reimbursements	360,033	304,382	
<b>Total revenues</b>	<u>2,707,485</u>	<u>498,325</u>	<u>910</u>
<b>Expenditures:</b>			
Current -			
Instruction	1,211,851		
Support services - students and staff	378,061		
Support services - administration	15,390		
Operation and maintenance of plant services	1,306		
Operation of non-instructional services	910,931		
Capital outlay	94,487		
Debt service -			
Principal retirement		625,000	
Interest and fiscal charges		615,381	
<b>Total expenditures</b>	<u>2,612,026</u>	<u>1,240,381</u>	
<b>Excess (deficiency) of revenues over expenditures</b>	<u>95,459</u>	<u>(742,056)</u>	<u>910</u>
<b>Other financing sources (uses):</b>			
Transfers in	202,045		
Transfers out	(196,079)		
<b>Total other financing sources (uses)</b>	<u>5,966</u>		
<b>Changes in fund balances</b>	<u>101,425</u>	<u>(742,056)</u>	<u>910</u>
<b>Fund balances, beginning of year, as restated</b>	622,580	866,213	376
<b>Fund balances, end of year</b>	<u>\$ 724,005</u>	<u>\$ 124,157</u>	<u>\$ 1,286</u>

Total Non-Major  
Governmental  
Funds

\$ 1,421,967  
189,439  
930,899  
664,415  
3,206,720

1,211,851  
378,061  
15,390  
1,306  
910,931  
94,487

625,000  
615,381  
3,852,407

(645,687)

202,045  
(196,079)  
5,966

(639,721)

1,489,169  
\$ 849,448

## **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.

**Structured English Immersion** - to account for monies received to provide for the incremental cost of instruction to English language learners.

**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.

**Promote Informed Parent Choice** - to account for financial assistance received to promote parent choices in the education of their students.

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

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

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

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

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

**Early Childhood Block Grant** - to account for financial assistance received for preschool education.

**Extended School Year – Pupils with Disabilities** - to account for financial assistance from the State for year-round services for the special education program.

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

**Failing Schools Tutoring Grant** - to account for monies used to assist high school students to pass the AIMS test or to assist students who are underperforming.

**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 and 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.

**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.

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

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

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

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



**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2017**

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>Structured English Immersion</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 43,633	\$ 121,781	\$
Due from governmental entities			162
<b>Total assets</b>	<u>\$ 43,633</u>	<u>\$ 121,781</u>	<u>\$ 162</u>
 <b><u>LIABILITIES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			162
Accrued payroll and employee benefits	30,151	9,581	
<b>Total liabilities</b>	<u>30,151</u>	<u>9,581</u>	<u>162</u>
Fund balances:			
Restricted	13,482	112,200	
<b>Total fund balances</b>	<u>13,482</u>	<u>112,200</u>	
 <b>Total liabilities and fund balances</b>	 <u>\$ 43,633</u>	 <u>\$ 121,781</u>	 <u>\$ 162</u>

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Vocational Education</u>	<u>State Vocational Education</u>	<u>Other State Projects</u>	<u>Food Service</u>
\$ 71,918	\$ 27,883	\$ 13,660	\$ 803	\$ 550	\$ 41,480
<u>\$ 71,918</u>	<u>\$ 27,883</u>	<u>\$ 13,660</u>	<u>\$ 803</u>	<u>\$ 550</u>	<u>\$ 16,231</u>
					<u>\$ 57,711</u>
\$ 71,918	\$ 27,883	\$ 13,660	\$ 803	\$ 550	\$
<u>71,918</u>	<u>27,883</u>	<u>13,660</u>	<u>803</u>	<u>550</u>	
					<u>57,711</u>
					<u>57,711</u>
<u>\$ 71,918</u>	<u>\$ 27,883</u>	<u>\$ 13,660</u>	<u>\$ 803</u>	<u>\$ 550</u>	<u>\$ 57,711</u>

(Continued)

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2017**

	<u>Civic Center</u>	<u>Community School</u>	<u>Auxiliary Operations</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 29,881	\$ 144,393	\$ 375,611
Due from governmental entities			
<b>Total assets</b>	<u>\$ 29,881</u>	<u>\$ 144,393</u>	<u>\$ 375,611</u>
 <b><u>LIABILITIES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$ 1,244	\$ 15,899
Due to other funds			
Accrued payroll and employee benefits			
<b>Total liabilities</b>	<u></u>	<u>1,244</u>	<u>15,899</u>
Fund balances:			
Restricted	<u>29,881</u>	<u>143,149</u>	<u>359,712</u>
<b>Total fund balances</b>	<u>29,881</u>	<u>143,149</u>	<u>359,712</u>
 <b>Total liabilities and fund balances</b>	 <u>\$ 29,881</u>	 <u>\$ 144,393</u>	 <u>\$ 375,611</u>

<u>Fingerprint</u>	<u>Textbooks</u>	<u>Insurance Refund</u>	<u>Grants and Gifts to Teachers</u>	<u>Joint Technical Education</u>	<u>Totals</u>
\$ 28	\$ 11	\$ 255	\$ 40	\$	\$ 757,113
				104,519	235,726
<u>\$ 28</u>	<u>\$ 11</u>	<u>\$ 255</u>	<u>\$ 40</u>	<u>\$ 104,519</u>	<u>\$ 992,839</u>
\$	\$	\$	\$	\$ 14,159	\$ 31,302
				72,820	187,796
				10,004	49,736
				96,983	268,834
<u>28</u>	<u>11</u>	<u>255</u>	<u>40</u>	<u>7,536</u>	<u>724,005</u>
<u>28</u>	<u>11</u>	<u>255</u>	<u>40</u>	<u>7,536</u>	<u>724,005</u>
<u>\$ 28</u>	<u>\$ 11</u>	<u>\$ 255</u>	<u>\$ 40</u>	<u>\$ 104,519</u>	<u>\$ 992,839</u>

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2017**

	Classroom Site	Instructional Improvement	Title I Grants
<b>Revenues:</b>			
Other local	\$ 1,504	\$ 438	\$
State aid and grants	822,602	83,858	
Federal aid, grants and reimbursements			71,918
<b>Total revenues</b>	824,106	84,296	71,918
<b>Expenditures:</b>			
Current -			
Instruction	775,027	3,150	71,918
Support services - students and staff	8,773	8,449	
Support services - administration		600	
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	783,800	12,199	71,918
<b>Excess (deficiency) of revenues over expenditures</b>	40,306	72,097	
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	40,306	72,097	
<b>Fund balances (deficits), beginning of year, as restated</b>	(26,824)	40,103	
<b>Fund balances, end of year</b>	\$ 13,482	\$ 112,200	\$

Professional Development and Technology Grants	Title IV Grants	Promote Informed Parent Choice	Vocational Education	E-Rate	Other Federal Projects
\$	\$	\$	\$	\$	\$
27,883	1,775	11	16,832	16,753	32
27,883	1,775	11	16,832	16,753	32
27,883			4,620		
				16,753	
27,883			11,691		
			16,311	16,753	
	1,775	11	521		32
	(1,775)	(11)	(521)	(254)	(32)
	(1,775)	(11)	(521)	(254)	(32)
				(254)	
				254	
\$	\$	\$	\$	\$	\$

(Continued)

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2017**

	State Vocational Education	Early Childhood Block Grant	Failing Schools Tutoring Grant
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants	16,840		980
Federal aid, grants and reimbursements			
<b>Total revenues</b>	16,840		980
<b>Expenditures:</b>			
Current -			
Instruction	14,048	135	
Support services - students and staff	846		
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay	3,976		
<b>Total expenditures</b>	18,870	135	
<b>Excess (deficiency) of revenues over expenditures</b>	(2,030)	(135)	980
<b>Other financing sources (uses):</b>			
Transfers in	8,041	135	
Transfers out	(6,011)		(980)
<b>Total other financing sources (uses)</b>	2,030	135	(980)
<b>Changes in fund balances</b>			
<b>Fund balances (deficits), beginning of year, as restated</b>			
<b>Fund balances, end of year</b>	\$	\$	\$

<u>Other State Projects</u>	<u>Food Service</u>	<u>Civic Center</u>	<u>Community School</u>	<u>Auxiliary Operations</u>	<u>Fingerprint</u>
\$ 5,719	\$ 357,743	\$ 12,378	\$ 169,471	\$ 767,462	\$ 488
	224,829				
<u>5,719</u>	<u>582,572</u>	<u>12,378</u>	<u>169,471</u>	<u>767,462</u>	<u>488</u>
3,970			195,729	63,590	1,324
	7,905			327,265	
				6,885	
	553,578		1,006	300	
	11,773		156,025	184,575	
<u>3,970</u>	<u>573,256</u>		<u>7,800</u>	<u>8,011</u>	<u>1,324</u>
			<u>360,560</u>	<u>590,626</u>	
<u>1,749</u>	<u>9,316</u>	<u>12,378</u>	<u>(191,089)</u>	<u>176,836</u>	<u>(836)</u>
31			193,838		
(1,780)	(5,861)			(178,854)	
<u>(1,749)</u>	<u>(5,861)</u>		<u>193,838</u>	<u>(178,854)</u>	
	3,455	12,378	2,749	(2,018)	(836)
	54,256	17,503	140,400	361,730	864
<u>\$</u>	<u>\$ 57,711</u>	<u>\$ 29,881</u>	<u>\$ 143,149</u>	<u>\$ 359,712</u>	<u>\$ 28</u>

(Continued)



**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2017**

	Textbooks	Insurance Refund	Grants and Gifts to Teachers
<b>Revenues:</b>			
Other local	\$	\$ 2	\$
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>	_____	2	_____
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	_____	_____	_____
<b>Excess (deficiency) of revenues over expenditures</b>	_____	2	_____
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
<b>Total other financing sources (uses)</b>	_____	_____	_____
<b>Changes in fund balances</b>	_____	2	_____
<b>Fund balances (deficits), beginning of year, as restated</b>	11	253	40
<b>Fund balances, end of year</b>	\$ 11	\$ 255	\$ 40

<u>Joint Technical Education</u>	<u>Totals</u>
\$ 107,967	\$ 1,417,453
	929,999
	360,033
<u>107,967</u>	<u>2,707,485</u>
82,960	1,211,851
225	378,061
	15,390
	1,306
	910,931
51,236	94,487
<u>134,421</u>	<u>2,612,026</u>
<u>(26,454)</u>	<u>95,459</u>
	202,045
	<u>(196,079)</u>
	<u>5,966</u>
<u>(26,454)</u>	<u>101,425</u>
33,990	622,580
<u>\$ 7,536</u>	<u>\$ 724,005</u>

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2017**

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 1,504	\$ 1,504
State aid and grants		822,602	822,602
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>824,106</u>	<u>824,106</u>
<b>Expenditures:</b>			
Current -			
Instruction	876,780	775,027	101,753
Support services - students and staff	25,133	8,773	16,360
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>901,913</u>	<u>783,800</u>	<u>118,113</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(901,913)</u>	<u>40,306</u>	<u>942,219</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Insurance recoveries			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(901,913)</u>	<u>40,306</u>	<u>942,219</u>
<b>Fund balances (deficits), beginning of year</b>		(26,824)	(26,824)
Increase (decrease) in reserve for prepaid items			
<b>Fund balances (deficits), end of year</b>	<u>\$ (901,913)</u>	<u>\$ 13,482</u>	<u>\$ 915,395</u>

Instructional Improvement			Student Success		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 438	\$ 438	\$	\$ 303	\$ 303
	83,858	83,858			
	<u>84,296</u>	<u>84,296</u>		<u>303</u>	<u>303</u>
75,000	3,150	(3,150)		38,803	(38,803)
	8,449	66,551			
	600	(600)			
<u>75,000</u>	<u>12,199</u>	<u>62,801</u>		<u>38,803</u>	<u>(38,803)</u>
<u>(75,000)</u>	<u>72,097</u>	<u>147,097</u>		<u>(38,500)</u>	<u>(38,500)</u>
<u>(75,000)</u>	<u>72,097</u>	<u>147,097</u>		<u>(38,500)</u>	<u>(38,500)</u>
	40,103	40,103		38,500	38,500
<u>\$ (75,000)</u>	<u>\$ 112,200</u>	<u>\$ 187,200</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

(Continued)

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2017**

	Title I Grants		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		71,918	71,918
<b>Total revenues</b>		<u>71,918</u>	<u>71,918</u>
<b>Expenditures:</b>			
Current -			
Instruction	125,200	71,918	53,282
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>125,200</u>	<u>71,918</u>	<u>53,282</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(125,200)</u>		<u>125,200</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Insurance recoveries			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(125,200)</u>		<u>125,200</u>
<b>Fund balances (deficits), beginning of year</b>			
Increase (decrease) in reserve for prepaid items			
<b>Fund balances (deficits), end of year</b>	<u>\$ (125,200)</u>	<u>\$</u>	<u>\$ 125,200</u>

Professional Development and Technology Grants			Title IV Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	27,883	27,883		1,775	1,775
	27,883	27,883		1,775	1,775
58,000	27,883	30,117			
58,000	27,883	30,117			
(58,000)		58,000		1,775	1,775
				(1,775)	(1,775)
				(1,775)	(1,775)
(58,000)		58,000			
\$ (58,000)	\$	\$ 58,000	\$	\$	\$

(Continued)

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2017**

	Promote Informed Parent Choice		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		11	11
<b>Total revenues</b>		<u>11</u>	<u>11</u>
<b>Expenditures:</b>			
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			
<b>Total expenditures</b>			
<b>Excess (deficiency) of revenues over expenditures</b>		<u>11</u>	<u>11</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(11)	(11)
Insurance recoveries			
<b>Total other financing sources (uses)</b>		<u>(11)</u>	<u>(11)</u>
<b>Changes in fund balances</b>			
<b>Fund balances (deficits), beginning of year</b>			
Increase (decrease) in reserve for prepaid items			
<b>Fund balances (deficits), end of year</b>	<u>\$</u>	<u>\$</u>	<u>\$</u>

Vocational Education			Medicaid Reimbursement		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	16,832	16,832			
	16,832	16,832			
50,000	4,620	45,380			
	11,691	(11,691)			
50,000	16,311	33,689			
(50,000)	521	50,521			
	(521)	(521)		(67)	(67)
	(521)	(521)		(67)	(67)
(50,000)		50,000		(67)	(67)
				67	67
\$ (50,000)	\$	\$ 50,000	\$	\$	\$

(Continued)



**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2017**

	E-Rate		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		16,753	16,753
<b>Total revenues</b>		<u>16,753</u>	<u>16,753</u>
<b>Expenditures:</b>			
Current -			
Instruction	50,000		50,000
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services		16,753	(16,753)
Capital outlay			
<b>Total expenditures</b>	<u>50,000</u>	<u>16,753</u>	<u>33,247</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(50,000)</u>		<u>50,000</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(254)	(254)
Insurance recoveries			
<b>Total other financing sources (uses)</b>		<u>(254)</u>	<u>(254)</u>
<b>Changes in fund balances</b>	<u>(50,000)</u>	<u>(254)</u>	<u>49,746</u>
<b>Fund balances (deficits), beginning of year</b>		254	254
Increase (decrease) in reserve for prepaid items			
<b>Fund balances (deficits), end of year</b>	<u>\$ (50,000)</u>	<u>\$</u>	<u>\$ 50,000</u>

Other Federal Projects			State Vocational Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	32	32		16,840	16,840
	<u>32</u>	<u>32</u>		<u>16,840</u>	<u>16,840</u>
150,000		150,000	25,000	14,048	10,952
				846	(846)
				3,976	(3,976)
<u>150,000</u>		<u>150,000</u>	<u>25,000</u>	<u>18,870</u>	<u>6,130</u>
<u>(150,000)</u>	<u>32</u>	<u>150,032</u>	<u>(25,000)</u>	<u>(2,030)</u>	<u>22,970</u>
	(32)	(32)		8,041	8,041
	(32)	(32)		(6,011)	(6,011)
				2,030	2,030
<u>(150,000)</u>		<u>150,000</u>	<u>(25,000)</u>		<u>25,000</u>
<u>\$ (150,000)</u>	<u>\$</u>	<u>\$ 150,000</u>	<u>\$ (25,000)</u>	<u>\$</u>	<u>\$ 25,000</u>

(Continued)

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2017**

	Early Childhood Block Grant		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>			
<b>Expenditures:</b>			
Current -			
Instruction	25,000	135	24,865
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	25,000	135	24,865
<b>Excess (deficiency) of revenues over expenditures</b>	(25,000)	(135)	24,865
<b>Other financing sources (uses):</b>			
Transfers in		135	135
Transfers out			
Insurance recoveries			
<b>Total other financing sources (uses)</b>		135	135
<b>Changes in fund balances</b>	(25,000)		25,000
<b>Fund balances (deficits), beginning of year</b>			
Increase (decrease) in reserve for prepaid items			
<b>Fund balances (deficits), end of year</b>	\$ (25,000)	\$	\$ 25,000

Extended School Year - Pupils with Disabilities			Gifted		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
25,000		25,000	25,000		25,000
<u>25,000</u>		<u>25,000</u>	<u>25,000</u>		<u>25,000</u>
<u>(25,000)</u>		<u>25,000</u>	<u>(25,000)</u>		<u>25,000</u>
<u>(25,000)</u>		<u>25,000</u>	<u>(25,000)</u>		<u>25,000</u>
<u>\$ (25,000)</u>	<u>\$</u>	<u>\$ 25,000</u>	<u>\$ (25,000)</u>	<u>\$</u>	<u>\$ 25,000</u>

(Continued)

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2017**

	Failing Schools Tutoring Grant		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants		980	980
Federal aid, grants and reimbursements			
<b>Total revenues</b>		980	980
<b>Expenditures:</b>			
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			
<b>Total expenditures</b>			
<b>Excess (deficiency) of revenues over expenditures</b>		980	980
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(980)	(980)
Insurance recoveries			
<b>Total other financing sources (uses)</b>		(980)	(980)
<b>Changes in fund balances</b>			
<b>Fund balances (deficits), beginning of year</b>			
Increase (decrease) in reserve for prepaid items			
<b>Fund balances (deficits), end of year</b>	\$	\$	\$

Other State Projects			School Plant		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	5,719	5,719		12,505	12,505
	<u>5,719</u>	<u>5,719</u>		<u>12,505</u>	<u>12,505</u>
25,000	3,970	21,030			
			50,000	2,464	47,536
<u>25,000</u>	<u>3,970</u>	<u>21,030</u>	<u>50,000</u>	<u>2,464</u>	<u>47,536</u>
<u>(25,000)</u>	<u>1,749</u>	<u>26,749</u>	<u>(50,000)</u>	<u>10,041</u>	<u>60,041</u>
	31	31			
	(1,780)	(1,780)			
	<u>(1,749)</u>	<u>(1,749)</u>			
<u>(25,000)</u>		<u>25,000</u>	<u>(50,000)</u>	<u>10,041</u>	<u>60,041</u>
				7,659	7,659
<u>\$ (25,000)</u>	<u>\$</u>	<u>\$ 25,000</u>	<u>\$ (50,000)</u>	<u>\$ 17,700</u>	<u>\$ 67,700</u>

(Continued)

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2017**

	Food Service		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 357,743	\$ 357,743
State aid and grants			
Federal aid, grants and reimbursements		224,829	224,829
<b>Total revenues</b>		<u>582,572</u>	<u>582,572</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration		7,905	(7,905)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services	550,000	553,578	(3,578)
Capital outlay		11,773	(11,773)
<b>Total expenditures</b>	<u>550,000</u>	<u>573,256</u>	<u>(23,256)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(550,000)</u>	<u>9,316</u>	<u>559,316</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(5,861)	(5,861)
Insurance recoveries			
<b>Total other financing sources (uses)</b>		<u>(5,861)</u>	<u>(5,861)</u>
<b>Changes in fund balances</b>	<u>(550,000)</u>	<u>3,455</u>	<u>553,455</u>
<b>Fund balances (deficits), beginning of year</b>		54,256	54,256
Increase (decrease) in reserve for prepaid items			
<b>Fund balances (deficits), end of year</b>	<u>\$ (550,000)</u>	<u>\$ 57,711</u>	<u>\$ 607,711</u>

Civic Center			Community School		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 12,378	\$ 12,378	\$	\$ 169,471	\$ 169,471
	<u>12,378</u>	<u>12,378</u>		<u>169,471</u>	<u>169,471</u>
			300,000	195,729	104,271
				1,006	(1,006)
50,000		50,000		156,025	(156,025)
				7,800	(7,800)
<u>50,000</u>		<u>50,000</u>	<u>300,000</u>	<u>360,560</u>	<u>(60,560)</u>
<u>(50,000)</u>	<u>12,378</u>	<u>62,378</u>	<u>(300,000)</u>	<u>(191,089)</u>	<u>108,911</u>
				193,838	193,838
				<u>193,838</u>	<u>193,838</u>
<u>(50,000)</u>	<u>12,378</u>	<u>62,378</u>	<u>(300,000)</u>	<u>2,749</u>	<u>302,749</u>
	17,503	17,503		140,400	140,400
<u>\$ (50,000)</u>	<u>\$ 29,881</u>	<u>\$ 79,881</u>	<u>\$ (300,000)</u>	<u>\$ 143,149</u>	<u>\$ 443,149</u>

(Continued)



**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2017**

	Auxiliary Operations		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 767,462	\$ 767,462
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		767,462	767,462
<b>Expenditures:</b>			
Current -			
Instruction		63,590	(63,590)
Support services - students and staff	500,000	327,265	172,735
Support services - administration		6,885	(6,885)
Operation and maintenance of plant services		300	(300)
Student transportation services			
Operation of non-instructional services		184,575	(184,575)
Capital outlay		8,011	(8,011)
<b>Total expenditures</b>	500,000	590,626	(90,626)
<b>Excess (deficiency) of revenues over expenditures</b>	(500,000)	176,836	676,836
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(178,854)	(178,854)
Insurance recoveries			
<b>Total other financing sources (uses)</b>		(178,854)	(178,854)
<b>Changes in fund balances</b>	(500,000)	(2,018)	497,982
<b>Fund balances (deficits), beginning of year</b>		361,730	361,730
Increase (decrease) in reserve for prepaid items			
<b>Fund balances (deficits), end of year</b>	\$ (500,000)	\$ 359,712	\$ 859,712

Gifts and Donations			Fingerprint		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 153,841	\$ 153,841	\$	\$ 488	\$ 488
	<u>153,841</u>	<u>153,841</u>		<u>488</u>	<u>488</u>
100,000	21,664	(21,664)	5,000	1,324	3,676
	71,690	28,310			
	5,075	(5,075)			
	13,550	(13,550)			
	162	(162)			
	21,368	(21,368)			
<u>100,000</u>	<u>133,509</u>	<u>(33,509)</u>	<u>5,000</u>	<u>1,324</u>	<u>3,676</u>
<u>(100,000)</u>	<u>20,332</u>	<u>120,332</u>	<u>(5,000)</u>	<u>(836)</u>	<u>4,164</u>
	(43)	(43)			
	<u>(43)</u>	<u>(43)</u>			
<u>(100,000)</u>	<u>20,289</u>	<u>120,289</u>	<u>(5,000)</u>	<u>(836)</u>	<u>4,164</u>
	111,907	111,907		864	864
<u>\$ (100,000)</u>	<u>\$ 132,196</u>	<u>\$ 232,196</u>	<u>\$ (5,000)</u>	<u>\$ 28</u>	<u>\$ 5,028</u>

(Continued)

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2017**

	Insurance Proceeds		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 26	\$ 26
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>	<u>                    </u>	<u>                    26</u>	<u>                    26</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services	5,000	31,021	(26,021)
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>                    5,000</u>	<u>                    31,021</u>	<u>                    (26,021)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>                    (5,000)</u>	<u>                    (30,995)</u>	<u>                    (25,995)</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Insurance recoveries		33,997	33,997
<b>Total other financing sources (uses)</b>		<u>                    33,997</u>	<u>                    33,997</u>
<b>Changes in fund balances</b>	<u>                    (5,000)</u>	<u>                    3,002</u>	<u>                    8,002</u>
<b>Fund balances (deficits), beginning of year</b>		27	27
Increase (decrease) in reserve for prepaid items			
<b>Fund balances (deficits), end of year</b>	<u>                    \$ (5,000)</u>	<u>                    \$ 3,029</u>	<u>                    \$ 8,029</u>

Textbooks			Litigation Recovery		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 4,138	\$ 4,138
				4,138	4,138
5,000		5,000	1,000		1,000
5,000		5,000	1,000		1,000
(5,000)		5,000	(1,000)	4,138	5,138
(5,000)		5,000	(1,000)	4,138	5,138
	11	11		552	552
\$ (5,000)	\$ 11	\$ 5,011	\$ (1,000)	\$ 4,690	\$ 5,690

(Continued)

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2017**

	Indirect Costs		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>			
<b>Expenditures:</b>			
Current -			
Instruction	25,000		25,000
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	25,000		25,000
<b>Excess (deficiency) of revenues over expenditures</b>	(25,000)		25,000
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Insurance recoveries			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(25,000)		25,000
<b>Fund balances (deficits), beginning of year</b>			
Increase (decrease) in reserve for prepaid items			
<b>Fund balances (deficits), end of year</b>	\$ (25,000)	\$	\$ 25,000

Insurance Refund			Grants and Gifts to Teachers		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 2	\$ 2	\$	\$	\$
	2	2			
5,000		5,000	10,000		10,000
5,000		5,000	10,000		10,000
(5,000)	2	5,002	(10,000)		10,000
(5,000)	2	5,002	(10,000)		10,000
	253	253		40	40
\$ (5,000)	\$ 255	\$ 5,255	\$ (10,000)	\$ 40	\$ 10,040

(Continued)

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2017**

	Advertisement		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
<b>Revenues:</b>			
Other local	\$	\$ 591	\$ 591
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>591</u>	<u>591</u>
<b>Expenditures:</b>			
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			
<b>Total expenditures</b>			
<b>Excess (deficiency) of revenues over expenditures</b>		<u>591</u>	<u>591</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Insurance recoveries			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>		<u>591</u>	<u>591</u>
<b>Fund balances (deficits), beginning of year</b>		315	315
Increase (decrease) in reserve for prepaid items			
<b>Fund balances (deficits), end of year</b>	<u>\$</u>	<u>\$ 906</u>	<u>\$ 906</u>

Joint Technical Education			Totals		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 107,967	\$ 107,967	\$	\$ 1,588,857	\$ 1,588,857
				929,999	929,999
				360,033	360,033
	<u>107,967</u>	<u>107,967</u>		<u>2,878,889</u>	<u>2,878,889</u>
150,000	90,460	59,540	1,827,980	1,279,818	548,162
	225	(225)	808,133	449,751	358,382
				20,465	(20,465)
			5,000	45,877	(40,877)
			50,000	2,464	47,536
			600,000	911,093	(311,093)
	51,236	(51,236)		115,855	(115,855)
<u>150,000</u>	<u>141,921</u>	<u>8,079</u>	<u>3,291,113</u>	<u>2,825,323</u>	<u>465,790</u>
<u>(150,000)</u>	<u>(33,954)</u>	<u>116,046</u>	<u>(3,291,113)</u>	<u>53,566</u>	<u>3,344,679</u>
				202,045	202,045
				(196,189)	(196,189)
				33,997	33,997
				39,853	39,853
<u>(150,000)</u>	<u>(33,954)</u>	<u>116,046</u>	<u>(3,291,113)</u>	<u>93,419</u>	<u>3,384,532</u>
	33,990	33,990		781,607	781,607
	7,500	7,500		7,500	7,500
<u>\$ (150,000)</u>	<u>\$ 7,536</u>	<u>\$ 157,536</u>	<u>\$ (3,291,113)</u>	<u>\$ 882,526</u>	<u>\$ 4,173,639</u>



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## **DEBT SERVICE FUND**

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

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR DEBT SERVICE FUND**  
**YEAR ENDED JUNE 30, 2017**

	Debt Service		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 4,504	\$ 4,504
Property taxes		189,439	189,439
Federal aid, grants and reimbursements		304,382	304,382
<b>Total revenues</b>		<u>498,325</u>	<u>498,325</u>
<b>Expenditures:</b>			
Debt service -			
Principal retirement	625,000	625,000	
Interest and fiscal charges	590,000	615,381	(25,381)
<b>Total expenditures</b>	<u>1,215,000</u>	<u>1,240,381</u>	<u>(25,381)</u>
<b>Changes in fund balances</b>	<u>(1,215,000)</u>	<u>(742,056)</u>	<u>472,944</u>
<b>Fund balances, beginning of year, as restated</b>		866,213	866,213
<b>Fund balances (deficits), end of year</b>	<u>\$ (1,215,000)</u>	<u>\$ 124,157</u>	<u>\$ 1,339,157</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.

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

**Emergency Deficiencies Correction** - to account for monies received from the School Facilities Board that are used to correct deficiencies in square footage and in quality of facilities and equipment.

**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.

**New School Facilities** - to account for monies received from the School Facilities Board that are used to purchase land, to construct new school buildings, and related architectural and engineering fees.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS**  
**JUNE 30, 2017**

	<u>Adjacent Ways</u>	<u>Gifts and Donations - Capital</u>	<u>Condemnation</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 517	\$ 666	\$ 23
<b>Total assets</b>	<u>\$ 517</u>	<u>\$ 666</u>	<u>\$ 23</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
Fund balances:			
Restricted	\$ 517	\$ 666	\$ 23
<b>Total fund balances</b>	<u>517</u>	<u>666</u>	<u>23</u>
<b>Total liabilities and fund balances</b>	<u>\$ 517</u>	<u>\$ 666</u>	<u>\$ 23</u>

<u>Emergency Deficiencies Correction</u>	<u>Building Renewal Grant</u>	<u>New School Facilities</u>	<u>Totals</u>
\$ 3	\$ 44	\$ 33	\$ 1,286
<u>\$ 3</u>	<u>\$ 44</u>	<u>\$ 33</u>	<u>\$ 1,286</u>
\$ 3	\$ 44	\$ 33	\$ 1,286
<u>3</u>	<u>44</u>	<u>33</u>	<u>1,286</u>
<u>\$ 3</u>	<u>\$ 44</u>	<u>\$ 33</u>	<u>\$ 1,286</u>

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2017**

	Adjacent Ways	Gifts and Donations - Capital	Condemnation
<b>Revenues:</b>			
Other local	\$           4	\$           6	\$
State aid and grants			
<b>Total revenues</b>	4	6	
<b>Changes in fund balances</b>	4	6	
<b>Fund balances (deficits), beginning of year</b>	513	660	23
<b>Fund balances, end of year</b>	\$           517	\$           666	\$           23

<u>Emergency Deficiencies Correction</u>	<u>Building Renewal Grant</u>	<u>New School Facilities</u>	<u>Totals</u>
\$	\$	\$	\$
900			10
<u>900</u>	<u></u>	<u></u>	<u>900</u>
900			910
<u>900</u>	<u></u>	<u></u>	<u>910</u>
(897)	44	33	376
<u>\$ 3</u>	<u>\$ 44</u>	<u>\$ 33</u>	<u>\$ 1,286</u>



**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2017**

	Unrestricted Capital Outlay		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 9,242	\$ 9,242
Property taxes		1,078	1,078
State aid and grants		97,699	97,699
<b>Total revenues</b>		108,019	108,019
<b>Expenditures:</b>			
Capital outlay	210,032	192,306	17,726
Debt service -			
Principal retirement	70,837	70,837	
Interest and fiscal charges	19,131	19,131	
<b>Total expenditures</b>	300,000	282,274	17,726
<b>Changes in fund balances</b>	(300,000)	(174,255)	125,745
<b>Fund balances (deficits), beginning of year</b>		15,353	15,353
<b>Fund balances (deficits), end of year</b>	\$ (300,000)	\$ (158,902)	\$ 141,098

<u>Adjacent Ways</u>			<u>Gifts and Donations - Capital</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
\$	\$ 4	\$ 4	\$	\$ 6	\$ 6
	<u>4</u>	<u>4</u>		<u>6</u>	<u>6</u>
			50,000		50,000
			<u>50,000</u>		<u>50,000</u>
	<u>4</u>	<u>4</u>	<u>(50,000)</u>	<u>6</u>	<u>50,006</u>
	513	513		660	660
<u>\$</u>	<u>\$ 517</u>	<u>\$ 517</u>	<u>\$ (50,000)</u>	<u>\$ 666</u>	<u>\$ 50,666</u>

(Continued)

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2017**

	Condemnation		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
Property taxes			
State aid and grants			
<b>Total revenues</b>			
<b>Expenditures:</b>			
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>			
<b>Changes in fund balances</b>			
<b>Fund balances (deficits), beginning of year</b>		23	23
<b>Fund balances (deficits), end of year</b>	\$	\$ 23	\$ 23

Emergency Deficiencies Correction		
Budget	Actual	Variance - Positive (Negative)
\$	\$	\$
	900	900
	900	900
	900	900
	(897)	(897)
\$	\$ 3	\$ 3

Building Renewal Grant		
Budget	Actual	Variance - Positive (Negative)
\$	\$	\$
	44	44
\$	\$ 44	\$ 44

(Continued)

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2017**

	New School Facilities		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
Property taxes			
State aid and grants			
<b>Total revenues</b>			
<b>Expenditures:</b>			
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>			
<b>Changes in fund balances</b>			
<b>Fund balances (deficits), beginning of year</b>		33	33
<b>Fund balances (deficits), end of year</b>	\$	\$ 33	\$ 33

Totals

Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 9,252	\$ 9,252
	1,078	1,078
	98,599	98,599
	<u>108,929</u>	<u>108,929</u>
260,032	192,306	67,726
70,837	70,837	
19,131	19,131	
<u>350,000</u>	<u>282,274</u>	<u>67,726</u>
<u>(350,000)</u>	<u>(173,345)</u>	<u>176,655</u>
	15,729	15,729
<u>\$ (350,000)</u>	<u>\$ (157,616)</u>	<u>\$ 192,384</u>

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## **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 voluntary deductions temporarily held by the District as an agent.



**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
 COMBINING STATEMENT OF ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 JUNE 30, 2017**

	Student Activities	Employee Withholding	Totals
<b><u>ASSETS</u></b>			
Cash and investments	\$ 147,183	\$ 4,862	\$ 152,045
<b>Total assets</b>	\$ 147,183	\$ 4,862	\$ 152,045
 <b><u>LIABILITIES</u></b>			
Deposits held for others	\$	\$ 4,862	\$ 4,862
Due to student groups	147,183		147,183
<b>Total liabilities</b>	\$ 147,183	\$ 4,862	\$ 152,045

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**YEAR ENDED JUNE 30, 2017**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b><u>STUDENT ACTIVITIES</u></b>				
<u>Assets</u>				
Cash and investments	\$ 148,537	\$ 570,703	\$ 572,057	\$ 147,183
Total assets	<u>\$ 148,537</u>	<u>\$ 570,703</u>	<u>\$ 572,057</u>	<u>\$ 147,183</u>
<u>Liabilities</u>				
Due to student groups	\$ 148,537	\$ 570,703	\$ 572,057	\$ 147,183
Total liabilities	<u>\$ 148,537</u>	<u>\$ 570,703</u>	<u>\$ 572,057</u>	<u>\$ 147,183</u>
<b><u>EMPLOYEE WITHHOLDING</u></b>				
<u>Assets</u>				
Cash and investments	\$ 4,792	\$ 7,793	\$ 7,723	\$ 4,862
Total assets	<u>\$ 4,792</u>	<u>\$ 7,793</u>	<u>\$ 7,723</u>	<u>\$ 4,862</u>
<u>Liabilities</u>				
Deposits held for others	\$ 4,792	\$ 7,793	\$ 7,723	\$ 4,862
Total liabilities	<u>\$ 4,792</u>	<u>\$ 7,793</u>	<u>\$ 7,723</u>	<u>\$ 4,862</u>
<b><u>TOTAL AGENCY FUNDS</u></b>				
<u>Assets</u>				
Cash and investments	\$ 153,329	\$ 578,496	\$ 579,780	\$ 152,045
Total assets	<u>\$ 153,329</u>	<u>\$ 578,496</u>	<u>\$ 579,780</u>	<u>\$ 152,045</u>
<u>Liabilities</u>				
Deposits held for others	\$ 4,792	\$ 7,793	\$ 7,723	\$ 4,862
Due to student groups	148,537	570,703	572,057	147,183
Total liabilities	<u>\$ 153,329</u>	<u>\$ 578,496</u>	<u>\$ 579,780</u>	<u>\$ 152,045</u>

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## STATISTICAL SECTION

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

### **Financial Trends**

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

### **Revenue Capacity**

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

### **Debt Capacity**

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

### **Demographic and Economic Information**

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

### **Operating Information**

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

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

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**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
<b>Net Position:</b>					
Net investment in capital assets	\$ 12,982,690	\$ 13,018,852	\$ 13,236,747	\$ 13,790,926	\$ 13,587,558
Restricted	849,448	1,482,005	1,526,552	1,460,282	1,542,118
Unrestricted	(12,518,035)	(12,952,805)	(11,505,564)	2,272,614	2,730,800
Total net position	\$ 1,314,103	\$ 1,548,052	\$ 3,257,735	\$ 17,523,822	\$ 17,860,476
	<b><u>2012</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>	<b><u>2009</u></b>	<b><u>2008</u></b>
<b>Net Position:</b>					
Net investment in capital assets	\$ 13,927,904	\$ 10,685,283	\$ 9,639,277	\$ 10,193,084	\$ 8,394,898
Restricted	1,485,356	1,677,711	1,409,409	1,782,334	1,493,586
Unrestricted	3,885,916	4,556,263	6,353,513	4,309,304	5,763,809
Total net position	\$ 19,299,176	\$ 16,919,257	\$ 17,402,199	\$ 16,284,722	\$ 15,652,293

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

**Note:** The provisions of Governmental Accounting Standards Board (GASB) Statement No. 68 were adopted in fiscal year 2015. The standard required the recognition of net pension liabilities which resulted in decreases in the unrestricted net position at fiscal year end.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
<b>Expenses</b>					
Instruction	\$ 9,324,714	\$ 10,021,236	\$ 9,957,570	\$ 9,366,070	\$ 8,767,736
Support services - students and staff	1,698,074	1,584,374	1,243,850	1,071,992	1,090,665
Support services - administration	2,145,503	2,234,179	2,069,735	2,014,582	1,901,848
Operation and maintenance of plant services	1,738,247	1,535,988	1,639,384	1,501,218	1,356,566
Student transportation services	669,216	501,094	704,817	664,236	658,550
Operation of non-instructional services	945,803	873,531	852,547	767,742	735,868
Interest on long-term debt	659,885	666,341	661,261	682,186	702,586
Total expenses	<u>17,181,442</u>	<u>17,416,743</u>	<u>17,129,164</u>	<u>16,068,026</u>	<u>15,213,819</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	729,098	659,322	734,265	450,877	498,080
Operation of non-instructional services	941,811	927,073	1,024,731	793,597	754,893
Other activities	58,618	9,319	7,133	9,281	20,507
Operating grants and contributions	1,083,363	846,658	786,528	963,876	805,290
Capital grants and contributions	32,980	95,214	48,736	35,314	63,798
Total program revenues	<u>2,845,870</u>	<u>2,537,586</u>	<u>2,601,393</u>	<u>2,252,945</u>	<u>2,142,568</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (14,335,572)</u>	<u>\$ (14,879,157)</u>	<u>\$ (14,527,771)</u>	<u>\$ (13,815,081)</u>	<u>\$ (13,071,251)</u>

(Continued)

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Expenses</b>					
Instruction	\$ 7,987,861	\$ 7,352,384	\$ 6,734,215	\$ 7,762,695	\$ 7,686,593
Support services - students and staff	1,164,971	1,128,476	1,136,111	1,138,342	1,162,706
Support services - administration	1,948,137	1,901,768	1,680,781	1,525,808	1,555,981
Operation and maintenance of plant services	1,532,044	1,164,884	1,078,542	1,213,598	1,314,067
Student transportation services	731,315	710,209	633,464	637,986	720,856
Operation of non-instructional services	758,700	651,310	517,588	547,764	587,168
Interest on long-term debt	723,586	932,029	60,124	110,315	159,664
Total expenses	<u>14,846,614</u>	<u>13,841,060</u>	<u>11,840,825</u>	<u>12,936,508</u>	<u>13,187,035</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	399,354	506,574	320,529	191,023	229,463
Operation of non-instructional services	719,384	690,668	480,402	103,428	422,470
Other activities	24,632	275	108,670	450,367	100,830
Operating grants and contributions	1,257,574	1,256,895	1,084,317	933,630	865,536
Capital grants and contributions	3,814,031	27,437	15,363	21,497	35,340
Total program revenues	<u>6,214,975</u>	<u>2,481,849</u>	<u>2,009,281</u>	<u>1,699,945</u>	<u>1,653,639</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (8,631,639)</u>	<u>\$ (11,359,211)</u>	<u>\$ (9,831,544)</u>	<u>\$ (11,236,563)</u>	<u>\$ (11,533,396)</u>

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

**(Concluded)**



**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Net (Expense)/Revenue</b>	\$ (14,335,572)	\$ (14,879,157)	\$ (14,527,771)	\$ (13,815,081)	\$ (13,071,251)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	7,000,432	6,026,983	5,311,469	5,676,670	5,067,886
Property taxes, levied for debt service	158,718	1,135,210	930,045	937,675	1,005,109
Property taxes, levied for capital outlay		147,642	51,070	14,205	14,862
Investment income	25,268	16,399	11,058	12,343	30,630
Unrestricted county aid	414,860	402,109	466,615	479,603	336,894
Unrestricted state aid	6,416,947	6,323,234	6,569,926	6,357,931	5,177,170
<b>Total general revenues</b>	<u>14,016,225</u>	<u>14,051,577</u>	<u>13,340,183</u>	<u>13,478,427</u>	<u>11,632,551</u>
<b>Changes in Net Position</b>	<u>\$ (319,347)</u>	<u>\$ (827,580)</u>	<u>\$ (1,187,588)</u>	<u>\$ (336,654)</u>	<u>\$ (1,438,700)</u>

(Continued)

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Net (Expense)/Revenue</b>	\$ (8,631,639)	\$ (11,359,211)	\$ (9,831,544)	\$ (11,236,563)	\$ (11,533,396)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	5,084,933	4,619,548	4,626,466	5,378,968	5,763,693
Property taxes, levied for debt service	1,031,717	1,172,518	918,273	1,134,293	1,784,578
Property taxes, levied for capital outlay	117	2,965		388,769	261,272
Investment income	24,835	46,539	89,188	125,772	273,152
Unrestricted county aid	244,435	202,339	194,609	2,613	
Unrestricted state aid	4,625,521	4,491,717	4,405,999	4,838,577	5,733,708
Unrestricted federal aid		340,643	714,486		
<b>Total general revenues</b>	<u>11,011,558</u>	<u>10,876,269</u>	<u>10,949,021</u>	<u>11,868,992</u>	<u>13,816,403</u>
<b>Changes in Net Position</b>	<u>\$ 2,379,919</u>	<u>\$ (482,942)</u>	<u>\$ 1,117,477</u>	<u>\$ 632,429</u>	<u>\$ 2,283,007</u>

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

**Note:** The Arizona State Legislature suspended county equalization payments to school districts for fiscal years 2007-08 through 2008-09.

**(Concluded)**

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
General Fund:					
Unassigned	\$ 2,461,754	\$ 1,764,369	\$ 2,316,261	\$ 2,474,660	\$ 2,495,796
Total General Fund	\$ 2,461,754	\$ 1,764,369	\$ 2,316,261	\$ 2,474,660	\$ 2,495,796
All Other Governmental Funds:					
Restricted	\$ 849,448	\$ 1,447,160	\$ 1,512,128	\$ 1,448,527	\$ 1,527,268
Unassigned	(158,902)	(27,721)	(89,656)	(101,347)	
Total all other governmental funds	\$ 690,546	\$ 1,419,439	\$ 1,422,472	\$ 1,347,180	\$ 1,527,268

**(Continued)**

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
General Fund:					
Nonspendable	\$	\$ 203,440	\$	\$	\$
Unassigned	3,707,704	4,616,782			
Reserved			104,348	27,481	41,826
Unreserved			4,169,785	3,565,116	3,094,754
Total General Fund	<u>\$ 3,707,704</u>	<u>\$ 4,820,222</u>	<u>\$ 4,274,133</u>	<u>\$ 3,592,597</u>	<u>\$ 3,136,580</u>
All Other Governmental Funds:					
Restricted	\$ 1,468,385	\$ 4,107,461	\$	\$	\$
Reserved				5,061	6,368
Unreserved, reported in:					
Special revenue funds			1,180,953	1,086,900	1,833,467
Capital projects funds			14,627,820	1,050,592	688,542
Debt service fund			438,653	688,342	593,694
Total all other governmental funds	<u>\$ 1,468,385</u>	<u>\$ 4,107,461</u>	<u>\$ 16,247,426</u>	<u>\$ 2,830,895</u>	<u>\$ 3,122,071</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)**

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>	<u><b>2014</b></u>	<u><b>2013</b></u>
<b>Federal sources:</b>					
Federal grants	\$ 715,129	\$ 616,727	\$ 592,537	\$ 666,289	\$ 627,299
National School Lunch Program	224,829	211,419	192,259	195,319	183,383
Total federal sources	<u>939,958</u>	<u>828,146</u>	<u>784,796</u>	<u>861,608</u>	<u>810,682</u>
<b>State sources:</b>					
State equalization assistance	5,509,587	5,307,077	5,809,987	5,541,143	4,671,239
State grants	23,539	25,250	10,860	5,638	1,024
School Facilities Board		8,417			57,382
Other revenues	907,360	1,016,157	798,610	816,788	505,931
Total state sources	<u>6,440,486</u>	<u>6,356,901</u>	<u>6,619,457</u>	<u>6,363,569</u>	<u>5,235,576</u>
<b>Local sources:</b>					
Property taxes	7,215,838	7,215,407	6,637,180	6,537,158	6,094,262
County aid	414,860	402,109	466,615	479,603	336,894
Food service sales	357,290	347,041	330,297	344,596	355,780
Investment income	25,268	16,399	11,038	12,343	30,630
Other revenues	1,491,086	1,328,732	1,436,789	932,159	917,700
Total local sources	<u>9,504,342</u>	<u>9,309,688</u>	<u>8,881,919</u>	<u>8,305,859</u>	<u>7,735,266</u>
<b>Total revenues</b>	<u><u>\$ 16,884,786</u></u>	<u><u>\$ 16,494,735</u></u>	<u><u>\$ 16,286,172</u></u>	<u><u>\$ 15,531,036</u></u>	<u><u>\$ 13,781,524</u></u>

(Continued)

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Federal sources:</b>					
Federal grants	\$ 803,248	\$ 1,393,012	\$ 650,149	\$ 462,687	\$ 382,909
State Fiscal Stabilization (ARRA)		85,945	714,486		
Education Jobs	150,475				
National School Lunch Program	150,126	139,300	117,030	95,996	82,250
Total federal sources	<u>1,103,849</u>	<u>1,618,257</u>	<u>1,481,665</u>	<u>558,683</u>	<u>465,159</u>
<b>State sources:</b>					
State equalization assistance	4,119,965	4,066,132	3,856,443	4,412,569	4,911,590
State grants	10,687	558,364	4,427	15,801	23,062
School Facilities Board	3,799,345				49,682
Other revenues	505,556	1,956	421,539	470,711	747,023
Total state sources	<u>8,435,553</u>	<u>4,626,452</u>	<u>4,282,409</u>	<u>4,899,081</u>	<u>5,731,357</u>
<b>Local sources:</b>					
Property taxes	5,865,771	5,794,132	5,598,296	7,184,854	7,554,479
County aid	244,435	202,339	194,609	2,613	
Food service sales	350,232	362,348	369,979	357,958	339,407
Investment income	24,835	46,539	89,188	125,776	273,152
Other revenues	950,862	835,169	867,696	748,209	844,528
Total local sources	<u>7,436,135</u>	<u>7,240,527</u>	<u>7,119,768</u>	<u>8,419,410</u>	<u>9,011,566</u>
<b>Total revenues</b>	<u>\$ 16,975,537</u>	<u>\$ 13,485,236</u>	<u>\$ 12,883,842</u>	<u>\$ 13,877,174</u>	<u>\$ 15,208,082</u>

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

**Note:** The Arizona State Legislature suspended county equalization payments to school districts for fiscal years 2007-08 through 2008-09.

**(Concluded)**

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 8,420,627	\$ 9,079,366	\$ 8,820,174	\$ 8,611,301	\$ 8,077,648
Support services - students and staff	1,641,512	1,547,524	1,192,583	1,050,679	1,081,336
Support services - administration	2,053,271	2,109,302	1,960,115	1,902,719	1,781,396
Operation and maintenance of plant services	1,685,755	1,498,913	1,583,821	1,456,686	1,320,272
Student transportation services	590,594	412,740	597,598	587,749	577,018
Operation of non-instructional services	911,093	839,515	827,763	754,904	713,944
Capital outlay	491,841	678,333	175,964	161,036	170,349
Debt service -					
Interest and fiscal charges	659,885	666,341	661,261	682,186	702,586
Principal retirement	753,170	630,626	550,000	525,000	510,000
<b>Total expenditures</b>	<u>\$ 17,207,748</u>	<u>\$ 17,462,660</u>	<u>\$ 16,369,279</u>	<u>\$ 15,732,260</u>	<u>\$ 14,934,549</u>
Expenditures for capitalized assets	\$ 235,619	\$ 479,189	\$ 41,839	\$ 91,413	\$ 148,442
Debt service as a percentage of noncapital expenditures	8%	8%	7%	8%	8%

(Continued)

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 7,246,054	\$ 6,789,084	\$ 6,094,038	\$ 7,113,082	\$ 6,918,375
Support services - students and staff	1,142,045	1,095,676	1,126,222	1,118,350	1,151,946
Support services - administration	1,833,652	1,761,103	1,652,044	1,493,891	1,474,986
Operation and maintenance of plant services	1,288,065	1,210,658	1,123,431	1,094,962	1,245,946
Student transportation services	631,667	618,369	545,268	565,153	586,868
Operation of non-instructional services	734,828	632,312	483,339	532,602	559,977
Capital outlay	6,503,794	11,928,973	613,115	519,770	826,828
Debt service -					
Claims and judgments				38,556	
Interest and fiscal charges	723,586	932,029	56,475	110,315	159,664
Principal retirement	420,000	210,000	1,160,000	1,110,000	1,060,000
Bond issuance costs			203,800		
<b>Total expenditures</b>	<u>\$ 20,523,691</u>	<u>\$ 25,178,204</u>	<u>\$ 13,057,732</u>	<u>\$ 13,696,681</u>	<u>\$ 13,984,590</u>
Expenditures for capitalized assets	\$ 6,378,149	\$ 11,770,328	\$ 475,506	\$ 242,086	\$ 521,475
Debt service as a percentage of noncapital expenditures	8%	9%	10%	9%	9%

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

**(Concluded)**



**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (322,962)	\$ (967,925)	\$ (83,107)	\$ (201,224)	\$ (1,153,025)
<b>Other financing sources (uses):</b>					
Capital lease agreements	172,059	413,000			
Transfers in	204,286				1,684
Transfers out	(204,286)				(1,684)
Insurance Recoveries	33,997				
Total other financing sources (uses)	206,056	413,000			
<b>Changes in fund balances</b>	\$ (116,906)	\$ (554,925)	\$ (83,107)	\$ (201,224)	\$ (1,153,025)
	<b><u>2012</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>	<b><u>2009</u></b>	<b><u>2008</u></b>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (3,548,154)	\$ (11,692,968)	\$ (173,890)	\$ 180,493	\$ 1,223,492
<b>Other financing sources (uses):</b>					
Issuance of school improvement bonds			14,000,000		
Premium on sale of bonds			200,151		
Transfers in	5,702	16,805	37,720	205,748	1,427
Transfers out	(5,702)	(16,805)	(37,720)	(205,748)	(1,427)
Total other financing sources (uses)			14,200,151		
<b>Changes in fund balances</b>	\$ (3,548,154)	\$ (11,692,968)	\$ 14,026,261	\$ 180,493	\$ 1,223,492

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

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Commercial, Industrial, Utilities and Mining	\$ 8,979,496	\$ 6,952,635	\$ 6,681,647	\$ 6,174,230	\$ 6,167,792
Agricultural and Vacant	17,900,204	19,319,855	20,147,121	21,481,242	24,784,313
Residential (Owner Occupied)	136,891,998	130,843,020	128,288,690	134,604,074	145,580,914
Residential (Rental)	16,851,329	16,143,404	13,509,506	7,841,097	7,546,474
Historical Property	<u>56,506</u>	<u>55,132</u>	<u>53,963</u>	<u>51,706</u>	<u>55,623</u>
Total	<u>\$ 180,679,533</u>	<u>\$ 173,314,046</u>	<u>\$ 168,680,927</u>	<u>\$ 170,152,349</u>	<u>\$ 184,135,116</u>
Gross Full Cash Value	\$ 1,951,500,164	\$ 1,790,361,226	\$ 1,721,553,223	\$ 1,728,748,371	\$ 1,861,329,633
Ratio of Net Limited Assessed Value to Gross Full Cash Value	9%	10%	10%	10%	10%
Total Direct Rate	5.23	5.30	5.03	5.00	4.15

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Commercial, Industrial, Utilities and Mining	\$ 6,240,606	\$ 6,150,101	\$ 7,178,113	\$ 7,444,314	\$ 7,423,812
Agricultural and Vacant	27,443,331	29,604,611	28,972,009	25,926,129	22,168,604
Residential (Owner Occupied)	161,144,061	179,734,775	178,059,958	162,264,230	142,425,872
Residential (Rental)	4,498,664	4,792,568	4,114,000	3,469,371	3,272,474
Historical Property	57,482	59,414	57,243	52,186	47,424
Certain Government Property Improvements	<u>9,435</u>				
Total	<u>\$ 199,393,579</u>	<u>\$ 220,341,469</u>	<u>\$ 218,381,323</u>	<u>\$ 199,156,230</u>	<u>\$ 175,338,186</u>
Gross Full Cash Value	\$ 2,003,464,671	\$ 2,235,227,040	\$ 2,324,387,909	\$ 2,309,601,776	\$ 1,975,056,876
Ratio of Net Limited Assessed Value to Gross Full Cash Value	10%	10%	9%	9%	9%
Total Direct Rate	3.80	3.35	3.18	4.37	5.10

**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.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**NET FULL CASH ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS**  
**LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Commercial, Industrial, Utilities and Mining	\$ 9,126,623	\$ 6,979,059	\$ 6,691,415	\$ 6,306,055	\$ 6,183,034
Agricultural and Vacant	18,304,844	19,634,181	20,403,238	21,681,196	25,334,411
Residential (Owner Occupied)	146,065,495	132,786,136	128,424,010	134,725,227	145,689,889
Residential (Rental)	18,063,663	16,499,727	13,647,729	7,944,854	7,614,102
Historical Property	58,174	55,132	53,963	52,419	56,623
<b>Total</b>	<b>\$ 191,618,799</b>	<b>\$ 175,954,235</b>	<b>\$ 169,220,355</b>	<b>\$ 170,709,751</b>	<b>\$ 184,878,059</b>
Gross Full Cash Value	\$ 1,951,500,164	\$ 1,790,361,226	\$ 1,721,553,223	\$ 1,728,748,371	\$ 1,861,329,633
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10%	10%	10%	10%	10%
Estimated Net Full Cash Value	1,761,733,686	1,592,380,593	1,522,842,039	1,535,270,185	1,661,944,889
Total Direct Rate	5.23	5.30	5.03	5.00	4.15

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Commercial, Industrial, Utilities and Mining	\$ 6,334,940	\$ 6,371,777	\$ 7,481,560	\$ 8,075,955	\$ 7,580,440
Agricultural and Vacant	28,827,259	34,734,376	37,914,344	38,602,352	31,645,592
Residential (Owner Occupied)	161,412,859	181,495,989	189,234,195	187,616,164	160,592,930
Residential (Rental)	4,506,267	4,846,850	4,406,724	4,078,632	3,793,117
Historical Property	66,917	60,029	61,884	60,823	58,048
<b>Total</b>	<b>\$ 201,148,242</b>	<b>\$ 227,509,021</b>	<b>\$ 239,098,707</b>	<b>\$ 238,433,926</b>	<b>\$ 203,670,127</b>
Gross Full Cash Value	\$ 2,003,464,671	\$ 2,235,227,040	\$ 2,324,387,909	\$ 2,309,601,776	\$ 1,975,056,876
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10%	10%	10%	10%	10%
Estimated Net Full Cash Value	1,814,293,135	2,055,576,149	2,157,295,115	2,147,600,249	1,830,751,284
Total Direct Rate	3.80	3.35	3.18	4.37	5.10

**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.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
PROPERTY TAX ASSESSMENT RATIOS  
LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Commercial, Industrial, Utilities and Mining	18 %	19 %	19 %	20 %	20 %
Agricultural and Vacant	15	16	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	14	15	16	15	15

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Commercial, Industrial, Utilities and Mining	20 %	21 %	22 %	23 %	24 %
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	17	18	20	21

**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.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Overlapping Rates										District Direct Rates		
	State Equalization	County	County Free Library	Flood Control District	Community College District	Fire District Assistance	Central Arizona Water	City of Tucson	Pima County JTED	Tanque Verde Valley F.D.	Primary	Secondary	Total
	2017	0.50	4.99	0.52	0.33	1.37	0.05	0.14	1.60	0.05	1.06	4.22	1.01
2016	0.51	5.09	0.52	0.31	1.37	0.05	0.14	1.60	0.05	1.06	3.72	1.58	5.30
2015	0.51	4.98	0.44	0.30	1.33	0.05	0.14	1.46	0.05	1.00	3.89	1.14	5.03
2014	0.51	4.45	0.38	0.26	1.29	0.05	0.14	1.43	0.05	1.41	3.80	1.20	5.00
2013	0.47	4.20	0.35	0.26	1.17	0.04	0.10	1.26	0.05	1.26	3.00	1.15	4.15
2012	0.43	4.20	0.35	0.26	1.11	0.04	0.10	1.16	0.05	1.15	2.72	1.08	3.80
2011	0.36	4.06	0.31	0.26	1.08	0.04	0.10	0.96	0.05	1.27	2.37	0.98	3.35
2010	0.33	4.02	0.26	0.26	1.08	0.04	0.10	0.93	0.05	1.16	2.37	0.81	3.18
2009	0.00	4.00	0.34	0.29	1.14	0.04	0.10	0.96	0.05	1.26	3.42	0.95	4.37
2008	0.00	4.29	0.40	0.34	1.18	0.04	0.10	1.13	0.05	1.37	3.78	1.32	5.10

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

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<b>Taxpayer</b>	<b>2017</b>			<b>2008</b>	
	<b>Net Limited Assessed Valuation</b>	<b>Percentage of District's Net Limited Assessed Valuation</b>	<b>%</b>	<b>Net Full Cash Assessed Valuation</b>	<b>Percentage of District's Net Full Cash Assessed Valuation</b>
Unisource Energy Group	\$ 2,988,227	1.65	%	\$	%
Southwest Gas Company	1,618,144	0.90		1,975,600	0.97
Arizona Sunshine Ranches	1,055,752	0.58		3,319,823	1.63
Landmark Title - TR 18300	602,372	0.33			
Landmark Title - TR 18152	503,995	0.28			
Galiuro TR	464,933	0.26			
Qwest Communications	458,879	0.25		2,912,482	1.43
Schifman Ronald Bruce & Stolov Sheila	428,842	0.24			
MLP communications, Inc.	426,533	0.24		651,744	0.32
Macco LLC	331,541	0.18			
Tucson Electric Power				2,647,711	1.30
49er Country Club				407,340	0.20
Private Individual				346,239	0.17
Private Individual				244,404	0.12
Private Individual				238,321	0.12
Private Individual				224,037	0.11
	<u>\$ 8,879,218</u>	<u>4.90</u>	<u>%</u>	<u>\$ 12,967,701</u>	<u>6.37</u> %

**Source:** The source of this information is the Pima 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.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30</b>	<b>Taxes Levied for the Fiscal Year</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Fiscal Years</b>	<b>Collected to the End of the Current Fiscal Year</b>	
		<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2017	\$ 7,279,090	\$ 7,100,175	97.54 %	N/A	\$ 7,100,175	97.54 %
2016	7,281,966	7,069,703	97.09	202,503	7,272,206	99.87
2015	6,566,441	6,358,769	96.84	202,737	6,561,506	99.92
2014	6,614,750	6,360,489	96.16	240,969	6,601,458	99.80
2013	6,005,212	5,788,261	96.39	208,893	5,997,154	99.87
2012	5,929,011	5,711,044	96.32	216,370	5,927,414	99.97
2011	5,814,400	5,595,553	96.24	217,813	5,813,366	99.98
2010	5,533,500	5,303,895	95.85	228,413	5,532,308	99.98
2009	7,225,380	6,880,902	95.23	344,457	7,225,359	100.00
2008	7,530,783	6,931,228	92.04	599,535	7,530,763	100.00

**Source:** The source of this information is the 2017 Pima 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.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
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 (Full Cash Value)	Per Capita	Percentage of Personal Income
2017	\$ 10,585,000	\$ 124,157	10,460,843	0.54 %	\$ 747	\$ 1,283,366	\$ 11,868,366	0.61 %	\$ 848	N/A %
2016	11,210,000	811,536	10,398,464	0.58	743	1,239,477	12,449,477	0.70	889	0.03
2015	11,785,000	782,653	11,002,347	0.64	786		11,785,000	0.68	842	0.03
2014	12,335,000	853,522	11,481,478	0.66	820		12,335,000	0.71	881	0.03
2013	13,370,000	914,438	12,455,562	0.67	890		13,370,000	0.72	955	0.04
2012	13,790,000	890,156	12,899,844	0.64	921		13,790,000	0.69	985	0.04
2011	14,000,000	776,359	13,223,641	0.59	945		14,000,000	0.63	1,000	0.04
2010	15,160,000	459,928	14,700,072	0.63	1,050		15,160,000	0.65	1,083	0.04
2009	2,270,000	721,445	1,548,555	0.07	155		2,270,000	0.10	227	0.01
2008	3,330,000	797,846	2,532,154	0.13	253		3,330,000	0.17	333	0.01

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

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



**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
JUNE 30, 2017**

<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:			
Pima County	\$ 1,191,347,312	2.42 %	\$ 28,830,605
Pima Community College District	None	2.42	None
City of Tucson	1,027,970,471	5.93	60,958,649
Subtotal, Overlapping Debt			<u>89,789,254</u>
Direct:			
Tanque Verde Unified School District No. 13		100.00	<u>11,868,366</u>
Total Direct and Overlapping Governmental Activities Debt			<u>\$ 101,657,620</u>

**DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS**

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation		5.79 %
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 7,161	
As a Percentage of Net Limited Assessed Valuation		55.49 %
As a Percentage of Gross Full Cash Value		5.14 %

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

- Notes:**
- 1) Estimated percentage of debt outstanding applicable to the District is calculated based on a portion of the District's net limited assessed valuation as a percentage of the net limited assessed valuation of the overlapping net limited jurisdiction.
  - 2) Outstanding debt as of June 30, 2016 is presented for the overlapping governments as this is the most recent available information.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

**Class B Bond Legal Debt Margin Calculation for Fiscal Year 2017:**

Net full cash assessed valuation	\$ 191,618,799
Debt limit (20% of assessed value)	38,323,760
Debt applicable to limit	<u>10,585,000</u>
Legal debt margin	<u>\$ 27,738,760</u>

**Total Legal Debt Margin Calculation for Fiscal Year 2017:**

Net full cash assessed valuation	\$ 191,618,799
Debt limit (30% of assessed value)	57,485,640
Debt applicable to limit	<u>10,585,000</u>
Legal debt margin	<u>\$ 46,900,640</u>

**Fiscal Year Ended June 30**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Debt Limit	\$ 57,485,640	\$ 52,786,271	\$ 50,766,107	\$ 51,212,925	\$ 55,463,418
Total net debt applicable to limit	<u>10,585,000</u>	<u>11,210,000</u>	<u>11,785,000</u>	<u>12,335,000</u>	<u>13,370,000</u>
Legal debt margin	<u>\$ 46,900,640</u>	<u>\$ 41,576,271</u>	<u>\$ 38,981,107</u>	<u>\$ 38,877,925</u>	<u>\$ 42,093,418</u>
Total net debt applicable to the limit as a percentage of debt limit	18%	21%	23%	24%	24%
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Debt Limit	\$ 60,344,473	\$ 68,252,706	\$ 71,729,612	\$ 71,530,178	\$ 61,101,038
Total net debt applicable to limit	<u>13,790,000</u>	<u>14,000,000</u>	<u>15,160,000</u>	<u>2,270,000</u>	<u>3,330,000</u>
Legal debt margin	<u>\$ 46,554,473</u>	<u>\$ 54,252,706</u>	<u>\$ 56,569,612</u>	<u>\$ 69,260,178</u>	<u>\$ 57,771,038</u>
Total net debt applicable to the limit as a percentage of debt limit	23%	21%	21%	3%	5%

**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.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
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>
2016	1,013,103	\$ 40,182,115	\$ 39,541	4.9 %	14,000
2015	1,010,025	38,922,402	38,536	6.2	14,000
2014	1,004,516	37,198,714	37,031	6.2	14,000
2013	996,554	36,935,363	37,063	7.0	14,000
2012	992,394	35,813,670	35,371	7.2	14,000
2011	986,081	36,058,871	36,335	9.1	14,000
2010	980,263	34,360,759	34,987	9.0	14,000
2009	1,018,012	34,516,424	33,833	8.3	14,000
2008	1,012,018	34,392,945	34,058	5.1	10,000
2007	1,003,235	31,646,777	31,755	3.8	10,000

**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 2007 through 2010 is the University of Arizona, Eller College of Management, Economic and Business Research Center. For 2011 through 2016, the source of the information is the Arizona Office of Employment and Population Statistics.

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

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
PRINCIPAL EMPLOYERS  
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<u>Employer</u>	<u>2017</u>		<u>2008</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
University of Arizona	11,251	2.48 %	10,535	2.36 %
Raytheon Missile Systems	9,600	2.12	12,515	2.80
State of Arizona	8,580	1.89	10,754	2.41
Davis Monthan AFB	8,406	1.85	7,701	
Pima County	7,060	1.56	6,954	1.56
Tucson Unified School District	6,770	1.49	8,018	1.80
Banner-University Medicine	6,272	1.38		
U.S. Customs and Border Protection	5,739	1.27		
Freeport-McMoran Mining	5,530	1.22		
Wal-Mart Stores, Inc.	5,500	1.21	5,805	1.30
Fort Huachuca			6,701	1.50
City of Tucson			5,848	1.31
Phelps Dodge Mining Co.			5,840	1.31
Total	<u>74,708</u>	<u>16.47 %</u>	<u>80,671</u>	<u>16.35 %</u>
Total employment	<u>453,300</u>		<u>446,600</u>	

**Source:** The source of this information is Arizona Daily Star - Star 200 and Bureau of Labor Statistics.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE**  
**LAST TEN FISCAL YEARS**

	<b>Full-time Equivalent Employees as of June 30</b>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Supervisory</b>					
Consultants/supervisors of instruction	4	4	4	4	4
Principals	4	4	4	4	4
Assistant principals	2	2	2	1	1
Total supervisory	<u>10</u>	<u>10</u>	<u>10</u>	<u>9</u>	<u>9</u>
<b>Instruction</b>					
Teachers	127	133	132	128	124
Other professionals (instructional)	9	7	1	1	1
Aides	55	55	51	49	47
Total instruction	<u>191</u>	<u>195</u>	<u>184</u>	<u>178</u>	<u>172</u>
<b>Student Services</b>					
Librarians	4	4	3	3	3
Technicians	1	1	1	1	1
Total student services	<u>5</u>	<u>5</u>	<u>4</u>	<u>4</u>	<u>4</u>
<b>Support and Administration</b>					
Service workers	81	81	78	78	78
Total support and administration	<u>81</u>	<u>81</u>	<u>78</u>	<u>78</u>	<u>78</u>
<b>Total</b>	<u><u>287</u></u>	<u><u>291</u></u>	<u><u>276</u></u>	<u><u>269</u></u>	<u><u>263</u></u>

(Continued)

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE  
 LAST TEN FISCAL YEARS**

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Supervisory</b>					
Consultants/supervisors of instruction	4	4	4	4	4
Principals	4	4	4	4	3
Assistant principals	1	1	1	1	2
Total supervisory	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>
<b>Instruction</b>					
Teachers	116	109	105	103	95
Other professionals (instructional)	1	1	1	1	1
Aides	46	44	40	37	35
Total instruction	<u>163</u>	<u>154</u>	<u>146</u>	<u>141</u>	<u>131</u>
<b>Student Services</b>					
Librarians	3	3	3	3	3
Technicians	1	1	1	1	1
Total student services	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>
<b>Support and Administration</b>					
Service workers	77	77	74	71	72
Total support and administration	<u>77</u>	<u>77</u>	<u>74</u>	<u>71</u>	<u>72</u>
<b>Total</b>	<u><u>253</u></u>	<u><u>244</u></u>	<u><u>233</u></u>	<u><u>225</u></u>	<u><u>216</u></u>

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

(Concluded)

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30</b>	<b>Average Daily Membership</b>	<b>Operating Expenditures</b>	<b>Cost per Pupil</b>	<b>Percentage Change</b>	<b>Expenses</b>	<b>Cost per Pupil</b>	<b>Percentage Change</b>	<b>Teaching Staff</b>	<b>Pupil-Teacher Ratio</b>	<b>Percentage of Free/Reduced Students</b>
2017	2,028	\$ 15,302,852	\$ 7,547	(2.83) %	\$ 17,181,442	\$ 8,474	(2.99) %	191	10.6	15.0 %
2016	1,994	15,487,360	7,767	3.53	17,416,743	8,735	1.83	195	10.2	15.0
2015	1,997	14,982,054	7,502	0.02	17,129,164	8,577	2.23	184	10.9	15.0
2014	1,915	14,364,038	7,501	2.23	16,068,026	8,391	1.86	178	10.8	16.0
2013	1,847	13,551,614	7,337	(3.87)	15,213,819	8,237	(6.40)	172	10.7	15.9
2012	1,687	12,876,311	7,633	(0.20)	14,846,614	8,801	0.65	163	10.3	14.1
2011	1,583	12,107,202	7,648	4.06	13,841,060	8,744	10.76	154	10.3	41.8
2010	1,500	11,024,342	7,350	(13.54)	11,840,825	7,894	(14.45)	146	10.3	12.0
2009	1,402	11,918,040	8,501	(7.50)	12,936,508	9,227	(9.11)	141	9.9	9.6
2008	1,299	11,938,098	9,190	15.68	13,187,035	10,152	13.72	131	9.9	8.3

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

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

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13**  
**CAPITAL ASSETS INFORMATION**  
**LAST TEN FISCAL YEARS**

	<u>Fiscal Year Ended June 30</u>									
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b><u>Schools</u></b>										
<b>Elementary</b>										
Buildings	23	23	2	2	2	2	2	2	2	2
Square feet	103,660	103,660	98,371	98,371	98,371	98,371	98,371	98,371	98,371	98,371
Capacity	1,100	1,100	1,100	1,100	1,100	1,050	1,050	1,000	1,000	1,000
Enrollment	1,089	1,130	1,130	1,138	1,087	1,040	1,025	975	924	834
<b>Middle</b>										
Buildings	5	5	1	1	1	1	1	1	1	1
Square feet	57,124	57,124	57,124	57,124	57,124	57,124	57,443	57,443	57,443	57,443
Capacity	450	450	450	450	450	450	370	370	370	370
Enrollment	367	376	376	371	367	350	340	310	308	322
<b>High</b>										
Buildings	11	11	1	1	1	1	1	1	1	1
Square feet	94,194	94,194	94,194	94,194	94,194	94,194	17,100	17,100	17,100	17,100
Capacity	650	650	650	650	650	650	230	230	230	230
Enrollment	576	555	555	479	449	375	330	350	260	194
<b>Other</b>										
Buildings	4	4	4	4	4	4	1	1	1	1
Square feet	10,178	10,178	10,178	10,178	10,178	10,718	758	758	758	758
<b><u>Administrative</u></b>										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	14,425	14,425	14,425	14,425	14,425	14,425	40,211	40,211	40,211	40,211
<b><u>Transportation</u></b>										
Garages	1	1	1	1	1	1	1	1	1	1
Buses	23	19	17	17	17	17	17	17	17	17
<b><u>Athletics</u></b>										
Football fields	1	1	1	1	1	1	1	1	1	1
Soccer fields	4	4	4	4	4	3	2	2	2	2
Baseball/softball	3	3	3	3	3	7	6	6	6	6
Playgrounds	3	3	3	3	3	3	3	3	3	3

**Source:** The source of this information is the District's facilities records.  
**Note:** Prior to fiscal year 2015-16, the buildings are listed by the individual site.



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