

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13

TUCSON, ARIZONA

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Issued by:
Business Office

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13

TABLE OF CONTENTS

<u>INTRODUCTORY SECTION</u>	<u>Page</u>
Letter of Transmittal	1
ASBO Certificate of Excellence	7
GFOA Certificate of Achievement	8
Organizational Structure	9
List of Principal Officials	10
<u>FINANCIAL SECTION</u>	
INDEPENDENT AUDITOR’S REPORT	13
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)	17
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Position	30
Statement of Activities	31
Fund Financial Statements:	
Balance Sheet – Governmental Funds	34
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	37
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	38
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	40

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13

TABLE OF CONTENTS

<u>FINANCIAL SECTION</u>	<u>Page</u>
BASIC FINANCIAL STATEMENTS	
Statement of Assets and Liabilities – Fiduciary Funds	41
Notes to Financial Statements	42
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues Expenditures and Changes in Fund Balances – Budget and Actual:	
General Fund	66
Special Education Grants Fund	67
Schedule of Proportionate Share of the Net Pension Liability	68
Schedule of Contributions	68
Notes to Required Supplementary Information	69
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES	
Governmental Funds:	
Combining Balance Sheet – All Non-Major Governmental Funds – By Fund Type	74
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – All Non-Major Governmental Funds – By Fund Type	75
Special Revenue Funds:	
Combining Balance Sheet	78
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	84
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	90

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13

TABLE OF CONTENTS

<u>FINANCIAL SECTION</u>	<u>Page</u>
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES	
Debt Service Fund:	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	114
Capital Projects Funds:	
Combining Balance Sheet	116
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	118
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	120
Agency Funds:	
Combining Statement of Assets and Liabilities	128
Combining Statement of Changes in Assets and Liabilities	129
<u>STATISTICAL SECTION</u>	
Financial Trends:	
Net Position by Component	133
Expenses, Program Revenues, and Net (Expense)/Revenue	134
General Revenues and Total Changes in Net Position	136
Fund Balances – Governmental Funds	138
Governmental Funds Revenues	140
Governmental Funds Expenditures and Debt Service Ratio	142
Other Financing Sources and Uses and Net Changes in Fund Balances – Governmental Funds	144

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13

TABLE OF CONTENTS

<u>STATISTICAL SECTION</u>	<u>Page</u>
Revenue Capacity:	
Net Limited Assessed Value and Full Cash Value of Taxable Property by Class	145
Net Full Cash Assessed Value of Taxable Property by Class	146
Property Tax Assessment Ratios	147
Direct and Overlapping Property Tax Rates	148
Principal Property Taxpayers	149
Property Tax Levies and Collections	150
Debt Capacity:	
Outstanding Debt by Type	151
Direct and Overlapping Governmental Activities Debt	152
Direct and Overlapping General Bonded Debt Ratios	152
Legal Debt Margin Information	153
Demographic and Economic Information:	
County-Wide Demographic and Economic Statistics	154
Principal Employers	155
Operating Information:	
Full-Time Equivalent District Employees by Type	156
Operating Statistics	158
Capital Assets Information	159

(This page intentionally left blank)

INTRODUCTORY SECTION

(This page intentionally left blank)



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

January 26, 2017

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, 2016.

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, 2016, 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, 2016, 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 2,050 students. The average age of the District's buildings is 21 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 2.75% during the 2015-16 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.

Each year the District focuses on state and national trends and possible changes in the education industry. The District continues to be involved in training and developing strategies for the new Arizona Evaluation Framework for Teachers and Administrators. This will partially base evaluation on student achievement.

District professional development activities include the ongoing focus on Marzano instructional strategies. These are research-based strategies which have been shown to improve student achievement. Teachers continue to focus their efforts on these strategies.

The District has high scholastic ratings, and is recognized as a leading school district in the state of Arizona. Students are offered a viable curriculum throughout the District, and recent employment of newly hired teachers has prompted the District to review and document the current curriculum, and to formalize how curriculum is accessed throughout the District. The District is committed to documenting curriculum through the retention of a Curriculum Consultant, with the goal of making the curriculum easily accessible to all teachers in the District.

The character education program known as *Capturing Kids' Hearts* continues to be used as a guide for employees in their interactions with one another and with students. The tools enable the school to look at each child's needs and provide necessary instruction and intervention to address learning deficits and promote academic strengths. Use of these tools continues to enable teachers to "inform instruction" which is required for improvement of academic achievement in a school environment where respect and dignity are cultural norms. Employees serve as "champions" at the Tanque Verde Elementary School, Agua Caliente Elementary School, and at Emily Gray Junior High School. These "champions" work with staff members to ensure the continued implementation of this dynamic character education initiative. The character education program initiative was introduced to the Agua Caliente Elementary School staff members during professional development sessions during summer 2016.

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.

Tanque Verde Unified School District is also proud of its athletic programs. The District strives to ensure that every student plays so that all interested can have a full experience in the programs that are offered. The District is delighted to have added a stadium to our High School during the 2015-16 school year in order to complete the traditional high school experience for our students, staff and community. The stadium was one of the first in the state of Arizona in a public school setting to offer top-of-the-line LED field lights to ensure games were properly illuminated while adhering to the Dark Sky Commitments of the greater Tucson area. This has garnered more participation in all realms from the sports themselves to higher attendances at our games and events.

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 agri-science. Previously, a computer lab and a greenhouse were added as part of the curriculum resources.

Enrollment in this program exceeds 100 students 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 online digital learning program at the high school continues to be highly successful, and during its initial years of implementation, continues to provide students with an opportunity to study and learn at their own pace. This program will continue into the next school year with closely defined guidelines and a detailed budgetary allowance.

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. A private preschool is located on the campus of one elementary school, and preschool students with special needs receive services at this site. 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 the 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 22 years. 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. Finally, in fiscal year 2015-16, the District was awarded approximately \$850,000 in federal and state grants, and received \$807,460 in revenues under Proposition 301 funding, which primarily goes towards increasing teacher salaries.

Student enrollment continues to increase, albeit slightly, as students outside of the school district open-enroll in our schools. Tanque Verde is an A rated school district as determined by the Arizona Department of Education. With the start of the new school year 2015-16, the District enrollment has reached 2,050 students. The maximum student capacity is approximately 2,100, and this will likely be reached next year.

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.

District Plans. The District plans to document and assess curriculum throughout the District, and review curriculum delivery methods with an emphasis on 21st Century Learning. This initiative will be continued with the intended outcome of documenting a comprehensive curriculum, with an emphasis on the core subjects of English Language Arts and Mathematics. There will be a clear curriculum map, aligned to standards and appropriate for systemic deployment.

The District has successfully implemented a new teacher base salary to \$32,300 at minimum, in order to attract and retain quality teachers. In addition, the District plans on implementing a 2% increase to its classified staff during the 2016-17 school year. The District also has plans to bolster support in professional development and technology within the same school year.

The District is researching the feasibility of opening a District preschool within the boundaries of the District, with a tentative implementation date to correlate with the start of school in school year 2017-18.

AWARDS AND ACKNOWLEDGMENT

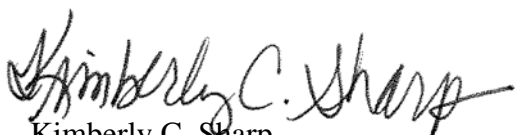
Awards. The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2015. This was the twenty-second consecutive year that the District has 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, 2015. In order to be awarded these certificates, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.


These certificates are valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the programs' requirements and we are submitting it to ASBO and GFOA to determine its eligibility for the fiscal year ended June 30, 2016 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,


Kimberly C. Sharp
Superintendent


Adam Hamm
Business Manager



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Tanque Verde Unified School District No. 13

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2015.**

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



Brenda Burkett

Brenda R. Burkett, CPA, CSBA, SFO
President

John D. Musso

John D. Musso, CAE, RSBA
Executive Director



Government Finance Officers Association

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

Presented to

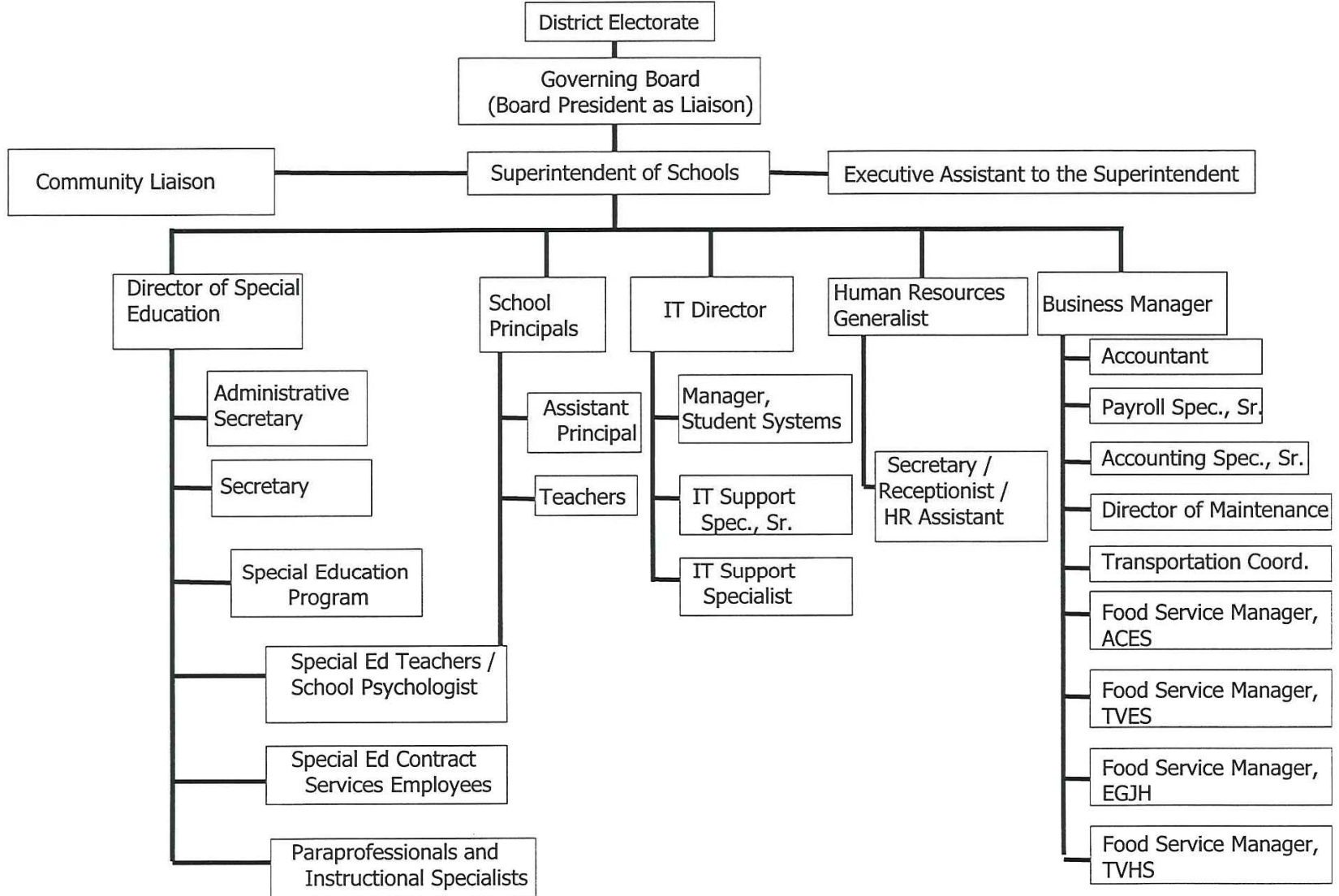
**Tanque Verde Unified School
District No. 13, Arizona**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

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

Peter Livingston, President

Carlos Ruiz, Clerk

Steven Auslander, Member

Jeffrey M. Neff, Member

Susan Fry, Member

ADMINISTRATIVE STAFF

Kimberly C. Sharp
Superintendent

Adam Hamm
Business Manager

FINANCIAL SECTION

(This page intentionally left blank)

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, 2016, 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, 2016, 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.

Change in Accounting Principle

As described in Note 1, the District implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, for the year ended June 30, 2016, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

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 January 26, 2017, 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
January 26, 2017

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

(This page intentionally left blank)

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2016**

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, 2016. 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 \$827,580 which represents a 35 percent decrease from the prior fiscal year primarily due to pension expenses and increases in insurance premiums and classified salaries.
- General revenues accounted for \$14.1 million in revenue, or 85 percent of all current fiscal year revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$2.5 million or 15 percent of total current fiscal year revenues.
- The District had approximately \$17.4 million in expenses related to governmental activities, an increase of two percent from the prior fiscal year primarily due to pension expenses and increases in insurance premiums and classified salaries.
- Among major funds, the General Fund had \$12.0 million in current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$12.5 million in expenditures. The General Fund's fund balance decrease from \$2.3 million at the prior fiscal year end to \$1.8 million at the end of the current fiscal year was primarily due to an increase in insurance premiums and a decrease in state aid.
- The Special Education Grants Fund had \$323,881 in revenues and total expenditures were \$323,881.

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, 2016**

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, 2016**

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

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 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 \$1.5 million at the current fiscal year end.

The largest portion of the District's positive 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, 2016**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2016 and June 30, 2015. The prior year table below has been restated for the effects of Note 12.

	As of June 30, 2016	As of June 30, 2015 (as restated)
Current assets	\$ 4,021,905	\$ 4,782,747
Capital assets, net	24,641,852	25,021,747
Total assets	<u>28,663,757</u>	<u>29,804,494</u>
Deferred outflows	<u>2,010,559</u>	2,811,172
Current liabilities	617,521	917,866
Long-term liabilities	27,115,636	26,928,714
Total liabilities	<u>27,733,157</u>	<u>27,846,580</u>
Deferred inflows	<u>1,393,107</u>	<u>2,393,454</u>
Net position:		
Net investment in capital assets	13,018,852	13,236,767
Restricted	1,482,005	1,526,532
Unrestricted	<u>(12,952,805)</u>	<u>(12,387,667)</u>
Total net position	<u>\$ 1,548,052</u>	<u>\$ 2,375,632</u>

The District's financial position is the product of several financial transactions including the net result of activities, the payment of debt, the acquisition 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 \$816,987 in accumulated depreciation through current year depreciation expense.
- The change of \$451,586 in pension liabilities.
- The principal retirement of \$575,000 in bonds payable.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2016**

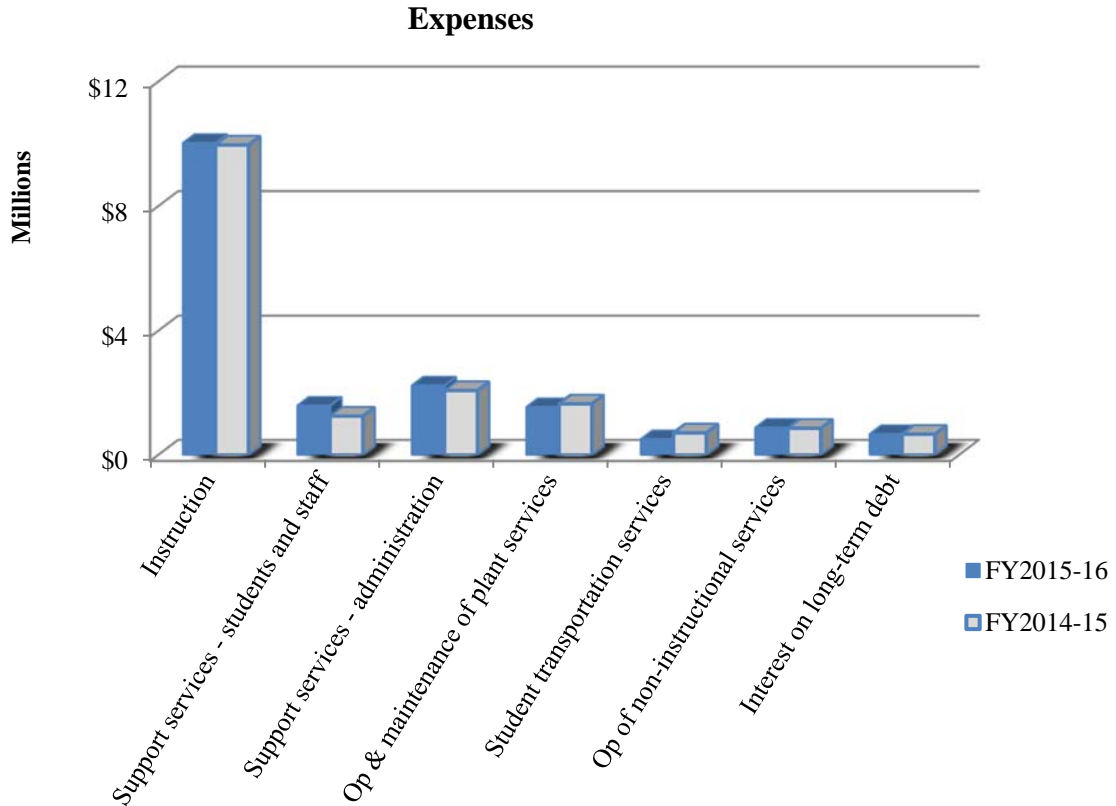
GOVERNMENT-WIDE FINANCIAL ANALYSIS

Changes in net position. The District's total revenues for the current fiscal year were \$16.6 million. The total cost of all programs and services was \$17.4 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2016 and June 30, 2015.

	<u>Fiscal Year Ended June 30, 2016</u>	<u>Fiscal Year Ended June 30, 2015</u>
Revenues:		
Program revenues:		
Charges for services	\$ 1,595,714	\$ 1,766,129
Operating grants and contributions	846,658	786,528
Capital grants and contributions	95,214	48,736
General revenues:		
Property taxes	7,309,835	6,292,584
Investment income	16,399	11,058
Unrestricted county aid	402,109	466,615
Unrestricted state aid	6,323,234	6,569,926
Total revenues	<u>16,589,163</u>	<u>15,941,576</u>
Expenses:		
Instruction	10,021,236	9,957,570
Support services – students and staff	1,584,374	1,243,850
Support services – administration	2,234,179	2,069,735
Operation and maintenance of plant services	1,535,988	1,639,384
Student transportation services	501,094	704,817
Operation of non-instructional services	873,531	852,547
Interest on long-term debt	666,341	661,261
Total expenses	<u>17,416,743</u>	<u>17,129,164</u>
Changes in net position	(827,580)	(1,187,588)
Net position, beginning	3,257,735	4,445,323
Net effect of prior period adjustments	(882,103)	
Net position, beginning restated	<u>2,375,632</u>	
Net position, ending	<u>\$ 1,548,052</u>	<u>\$ 3,257,735</u>

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2016**

GOVERNMENT-WIDE FINANCIAL ANALYSIS



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

- Property tax revenues increased \$1.0 million due to increases in the assessed valuation of taxable property in the District.
- Unrestricted state aid decreased \$246,692 due to a reduction in state aid.
- The \$340,524 increase in expenses for support services – students and staff was due to increases in employee compensation during the year.

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, 2016**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

	Year Ended June 30, 2016		Year Ended June 30, 2015	
	Total Expenses	Net (Expense)/ Revenue	Total Expenses	Net (Expense)/ Revenue
Instruction	\$ 10,021,236	\$ (8,832,115)	\$ 9,957,570	\$ (8,836,711)
Support services – students and staff	1,584,374	(1,487,849)	1,243,850	(1,226,083)
Support services – administration	2,234,179	(2,234,179)	2,069,735	(2,069,735)
Operation and maintenance of plant services	1,535,988	(1,526,669)	1,639,384	(1,600,747)
Student transportation services	501,094	(501,094)	704,817	(704,817)
Operation of non-instructional services	873,531	264,961	852,547	364,443
Interest on long-term debt	666,341	(562,212)	661,261	(454,121)
Total	\$ 17,416,743	\$ (14,879,157)	\$ 17,129,164	\$ (14,527,771)

- The cost of all governmental activities this year was \$17.4 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$2.5 million.
- Net cost of governmental activities of \$14.9 million was financed by general revenues, which are made up of primarily property taxes of \$7.3 million and unrestricted state aid of \$6.3 million.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$3.2 million, a decrease of \$554,925.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2016**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The General Fund comprises 55 percent of the total fund balance. The entire \$1.8 million of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District. The fund balance decreased \$551,892 in the General Fund to \$1.8 million as of fiscal year end. General Fund revenues decreased \$249,496 as a result of decreases in state equalization funding due to a reduction in state aid. General Fund expenditures increased \$143,997 as a result of increases in employee compensation during the year.

The Special Education Grants Fund had \$323,881 in revenues and total expenditures were \$323,881.

BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the General Fund annual expenditure budget to account for student growth. The difference between the original budget and the final amended budget was a \$188,212 increase, or two 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 \$383,905 in instruction was a result of the District budgeting for potential expenditures relating to the retirement and replacement of senior staff.
- The unfavorable variance of \$335,864 in operation and maintenance of plant services was a result of a reduction in state aid for maintenance and operation costs.
- The favorable variance of \$273,399 in student transportation services was a result of the District budgeting for potential school bus replacements and increased usage of District vehicles.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2016**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. As of 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 \$425,338 from the prior fiscal year. Total depreciation expense for the current fiscal year was \$816,987.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2016 and June 30, 2015.

	As of <u>June 30, 2016</u>	As of <u>June 30, 2015</u>
Capital assets – non-depreciable	\$ 679,272	\$ 679,272
Capital assets – depreciable, net	<u>23,962,580</u>	<u>24,342,475</u>
Total	<u>\$ 24,641,852</u>	<u>\$ 25,021,747</u>

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

Debt Administration. At year end, the District had \$12.4 million in long-term debt outstanding, \$716,633 due within one year. Long-term debt decreased by \$217,626 from the prior fiscal year.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 30 percent of the total net full cash assessed valuation) and the statutory debt limit on Class B bonds (the greater of 20 percent of the total net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$52.8 million and the Class B debt limit is \$35.2 million, which are more than the District's total outstanding general obligation and Class B debt, respectively.

Additional information on the District's long-term liabilities 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, 2016**

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 2016-17 General Fund budget. Among them:

- Fiscal year 2015-16 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.

Expenditures for the adopted budget in the General Fund increased five percent to \$13.1 million in fiscal year 2016-17. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2016-17 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

(This page intentionally left blank)

GOVERNMENT-WIDE FINANCIAL STATEMENTS

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
STATEMENT OF NET POSITION
JUNE 30, 2016

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 1,583,976
Property taxes receivable	245,272
Accounts receivable	55,285
Due from governmental entities	2,137,372
Total current assets	4,021,905
Noncurrent assets:	
Capital assets not being depreciated	679,272
Capital assets, net of accumulated depreciation	23,962,580
Total noncurrent assets	24,641,852
Total assets	28,663,757
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Pension plan items	2,010,559
 <u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	87,909
Accrued payroll and employee benefits	526,391
Compensated absences payable	105,492
Unearned revenues	3,221
Obligations under capital leases	91,633
Bonds payable	625,000
Total current liabilities	1,439,646
Noncurrent liabilities:	
Non-current portion of long-term obligations	26,293,511
Total noncurrent liabilities	26,293,511
Total liabilities	27,733,157
 <u>DEFERRED INFLOWS OF RESOURCES</u>	
Pension plan items	1,393,107
 <u>NET POSITION</u>	
Net investment in capital assets	13,018,852
Restricted for:	
Teacher compensation	40,103
Federal and state projects	254
Food service	54,256
Community school	140,400
Auxiliary operations	361,730
Other local initiatives	52,976
Debt service	811,536
Capital outlay	20,750
Unrestricted	(12,952,805)
Total net position	\$ 1,548,052

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, 2016

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
Instruction	\$ 10,021,236	\$ 659,322	\$ 434,585	\$ 95,214	\$ (8,832,115)
Support services - students and staff	1,584,374		96,525		(1,487,849)
Support services - administration	2,234,179				(2,234,179)
Operation and maintenance of plant services	1,535,988	9,319			(1,526,669)
Student transportation services	501,094				(501,094)
Operation of non-instructional services	873,531	927,073	211,419		264,961
Interest on long-term debt	666,341		104,129		(562,212)
Total governmental activities	<u>\$ 17,416,743</u>	<u>\$ 1,595,714</u>	<u>\$ 846,658</u>	<u>\$ 95,214</u>	<u>(14,879,157)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	6,026,983
Property taxes, levied for debt service	1,135,210
Property taxes, levied for capital outlay	147,642
Investment income	16,399
Unrestricted county aid	402,109
Unrestricted state aid	6,323,234
Total general revenues	<u>14,051,577</u>

Changes in net position (827,580)

Net position, beginning of year, as restated 2,375,632

Net position, end of year \$ 1,548,052

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

(This page intentionally left blank)

FUND FINANCIAL STATEMENTS

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2016

	General	Special Education Grants	Debt Service
<u>ASSETS</u>			
Cash and investments	\$ 274,282	\$	\$ 673,517
Property taxes receivable	206,836		33,890
Accounts receivable	55,285		
Due from governmental entities	1,286,648	318,217	104,129
Due from other funds	649,362		
Total assets	\$ 2,472,413	\$ 318,217	\$ 811,536
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 56,125	\$	\$
Due to other funds		306,701	
Accrued payroll and employee benefits	466,188	11,516	
Unearned revenues			
Total liabilities	522,313	318,217	
Deferred inflows of resources:			
Unavailable revenues - property taxes	185,731		30,721
Fund balances (deficits):			
Restricted			780,815
Unassigned	1,764,369		
Total fund balances	1,764,369		780,815
 Total liabilities, deferred inflows of resources and fund balances	\$ 2,472,413	\$ 318,217	\$ 811,536

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 636,177	\$ 1,583,976
4,546	245,272
	55,285
428,378	2,137,372
	649,362
<u>\$ 1,069,101</u>	<u>\$ 4,671,267</u>

\$ 31,784	\$ 87,909
342,661	649,362
48,687	526,391
3,221	3,221
<u>426,353</u>	<u>1,266,883</u>

<u>4,124</u>	<u>220,576</u>
--------------	----------------

666,345	1,447,160
(27,721)	1,736,648
<u>638,624</u>	<u>3,183,808</u>

<u>\$ 1,069,101</u>	<u>\$ 4,671,267</u>
---------------------	---------------------

(This page intentionally left blank)

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2016**

Total governmental fund balances	\$	3,183,808
<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	\$ 37,790,567	
Less accumulated depreciation	<u>(13,148,715)</u>	24,641,852
<p>Property taxes receivable are not available to pay for current period expenditures and, therefore, are reported as unavailable revenues in the funds.</p>		
		220,576
<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	2,010,559	
Deferred inflows of resources related to pensions	<u>(1,393,107)</u>	617,452
<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	(527,457)	
Obligations under capital leases	(1,239,477)	
Net pension liability	(14,138,702)	
Bonds payable	<u>(11,210,000)</u>	<u>(27,115,636)</u>
Net position of governmental activities	\$	<u>1,548,052</u>

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, 2016

	General	Special Education Grants	Debt Service
Revenues:			
Other local	\$ 620,771	\$	\$ 3,805
Property taxes	5,952,976		1,118,913
State aid and grants	5,393,224		
Federal aid, grants and reimbursements		323,881	104,129
Total revenues	11,966,971	323,881	1,226,847
Expenditures:			
Current -			
Instruction	7,292,745	251,988	
Support services - students and staff	1,232,787	71,893	
Support services - administration	1,989,721		
Operation and maintenance of plant services	1,496,592		
Student transportation services	412,700		
Operation of non-instructional services	2,282		
Capital outlay	9,330		
Debt service -			
Principal retirement	55,626		575,000
Interest and fiscal charges	27,080		639,261
Total expenditures	12,518,863	323,881	1,214,261
Excess (deficiency) of revenues over expenditures	(551,892)		12,586
Other financing sources (uses):			
Capital lease agreements			
Total other financing sources (uses):			
Changes in fund balances	(551,892)		12,586
Fund balances, beginning of year	2,316,261		768,229
Fund balances, end of year	\$ 1,764,369	\$	\$ 780,815

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 1,469,705	\$ 2,094,281
143,518	7,215,407
963,677	6,356,901
400,136	828,146
<u>2,977,036</u>	<u>16,494,735</u>
1,534,633	9,079,366
242,844	1,547,524
119,581	2,109,302
2,321	1,498,913
40	412,740
837,233	839,515
669,003	678,333
	630,626
	<u>666,341</u>
<u>3,405,655</u>	<u>17,462,660</u>
<u>(428,619)</u>	<u>(967,925)</u>
<u>413,000</u>	<u>413,000</u>
<u>413,000</u>	<u>413,000</u>
<u>(15,619)</u>	<u>(554,925)</u>
654,243	3,738,733
<u>\$ 638,624</u>	<u>\$ 3,183,808</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, 2016**

Changes in fund balances - total governmental funds **\$ (554,925)**

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	\$ 479,189	
Less current year depreciation	<u>(816,987)</u>	(337,798)

Capital lease agreements provide current financial resources to governmental funds, but the issuance increases long term liabilities in the Statement of Net Position.		(413,000)
--	--	-----------

Some property tax revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		94,428
--	--	--------

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	55,626	
Bond principal retirement	<u>575,000</u>	630,626

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	944,678	
Pension expense	<u>(1,196,530)</u>	(251,852)

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

Loss on disposal of assets	(42,097)	
Compensated absences	<u>47,038</u>	4,941

Changes in net position in governmental activities **\$ (827,580)**

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, 2016

	Agency
<u>ASSETS</u>	
Cash and investments	\$ 153,329
Total assets	\$ 153,329
 <u>LIABILITIES</u>	
Deposits held for others	\$ 4,792
Due to student groups	148,537
Total liabilities	\$ 153,329

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, 2016

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.

During the year ended June 30, 2016, the District implemented the provisions of GASB Statement No. 72, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements and establishes a hierarchy of inputs to valuation techniques used to measure fair value. This Statement also enhances accountability and transparency through revised note disclosures.

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.

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes, unrestricted 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.

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Financial Statements – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due.

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.

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

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

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, 2016

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, 2016

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. Such assets are recorded at historical cost, or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at the estimated fair market 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, 2016

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, 2016

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, 2016

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, 2016

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	Debt Service Fund	Non-Major Governmental Funds
Fund Balances:			
Restricted:			
Debt service	\$	\$ 780,815	\$
Capital projects			16,626
Teacher compensation			40,103
Federal and state projects			254
Auxiliary operations			361,730
Food service			54,256
Community school			140,400
Other purposes			52,976
Unassigned	1,764,369		(27,721)
Total fund balances	\$ 1,764,369	\$ 780,815	\$ 638,624

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Individual Deficit Fund Balance – At year end, the Classroom Site and Emergency Deficiencies Correction Funds, non-major governmental funds, reported deficits of \$26,824 and \$897 in fund balance, respectively.

The deficits arose because of operations during the year. Additional revenues received in fiscal year 2016-17 are expected to eliminate the deficits.

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, 2016

NOTE 4 – CASH AND INVESTMENTS

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure the District’s deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District’s deposits was \$1,068,085 and the bank balance was \$1,074,698. At year end, \$40,568 was uninsured and uncollateralized.

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.

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer’s investment pool	203 days	<u>\$ 669,220</u>

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.

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 4 – CASH AND INVESTMENTS

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.

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	Debt Service Fund	Non-Major Governmental Funds
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Due from other governmental entities:				
Due from federal government	\$	\$ 318,217	\$ 104,129	\$ 163,003
Due from state government	1,277,711			100,375
Due from county government	8,937			
Due from other districts				165,000
Net due from governmental entities	<u>\$ 1,286,648</u>	<u>\$ 318,217</u>	<u>\$ 104,129</u>	<u>\$ 428,378</u>

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 6 – CAPITAL ASSETS

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

	Beginning Balance	Increase	Decrease	Ending Balance
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 679,272	\$	\$	\$ 679,272
Total capital assets, not being depreciated	679,272			679,272
Capital assets, being depreciated:				
Land improvements	726,548	439,500		1,166,048
Buildings and improvements	33,303,665		53,851	33,249,814
Vehicles, furniture and equipment	2,655,744	39,689		2,695,433
Total capital assets being depreciated	36,685,957	479,189	53,851	37,111,295
Less accumulated depreciation for:				
Land improvements	(398,202)	(28,107)		(426,309)
Buildings and improvements	(9,679,614)	(685,100)	(11,754)	(10,352,960)
Vehicles, furniture and equipment	(2,265,666)	(103,780)		(2,369,446)
Total accumulated depreciation	(12,343,482)	(816,987)	(11,754)	(13,148,715)
Total capital assets, being depreciated, net	24,342,475	(337,798)	42,097	23,962,580
Governmental activities capital assets, net	\$ 25,021,747	\$ (337,798)	\$ 42,097	\$ 24,641,852

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 649,943
Support services – students and staff	1,815
Support services – administration	65,719
Operation and maintenance of plant services	22,168
Student transportation services	56,486
Operation of non-instructional services	20,856
Total depreciation expense – governmental activities	\$ 816,987

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 7 – OBLIGATIONS UNDER LEASES

Capital Leases – The District has acquired stadium lighting and seating upgrades, utility management, and energy efficient equipment 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, a non-major governmental 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:

	Governmental Activities
Asset:	
Building improvements	\$ 413,000
Less: Accumulated depreciation	10,325
Total	\$ 402,675

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

	Governmental Activities
Year Ending June 30:	
2017	\$ 136,137
2018	136,137
2019	136,137
2020	136,137
2021	136,137
2022-26	680,686
2027-30	175,412
Total minimum lease payments	1,536,784
Less: amount representing interest	297,307
Present value of minimum lease payments	\$ 1,239,477
Due within one year	\$ 91,633

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

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, 2016	Due Within One Year
Governmental activities:					
School Improvement Bonds, Build America, Series 2010 (Class B)	\$ 11,785,000	4.453-6.073%	7/1/17-29	\$ 11,210,000	\$ 625,000
Total				<u>\$ 11,210,000</u>	<u>\$ 625,000</u>

Year ending June 30:	Governmental Activities	
	Principal	Interest
2017	\$ 625,000	\$ 600,640
2018	675,000	570,953
2019	720,000	537,639
2020	740,000	501,511
2021	770,000	463,010
2022-26	4,525,000	1,613,785
2027-29	3,155,000	289,188
Total	<u>\$ 11,210,000</u>	<u>\$ 4,576,726</u>

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 9 – CHANGES IN LONG-TERM LIABILITIES

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

	Beginning Balance (as restated)	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds	\$11,785,000	\$	\$ 575,000	\$ 11,210,000	\$ 625,000
Obligations under capital leases	882,103	413,000	55,626	1,239,477	91,633
Net pension liability	13,687,116	451,586		14,138,702	
Compensated absences payable	574,495	163,633	210,671	527,457	105,492
Governmental activity long-term liabilities	<u>\$26,928,714</u>	<u>\$ 1,028,219</u>	<u>\$ 841,297</u>	<u>\$ 27,115,636</u>	<u>\$ 822,125</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 Grants Fund, a major governmental fund, and several non-major governmental funds had negative cash balances of \$306,701 and \$342,661 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.

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.

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 12 – PRIOR PERIOD ADJUSTMENT AND RECLASSIFICATIONS

The July 1, 2015, government-wide net position and fund balances do not agree to the prior year financial statements due to a correction of errors. The corrections are to properly recognize an existing capital lease and to reclassify revenues from a prior year.

	Statement of Activities	Governmental Funds	
		Community Schools Fund	Auxiliary Operations Fund
Net position/fund balance, June 30, 2015, as previously reported	\$ 3,257,735	\$ (77,370)	\$ 448,140
Capital lease obligation	(882,103)		
Revenue reclassification		173,962	(173,962)
Net position/fund balance, July 1, 2015, as restated	\$ 2,375,632	\$ 96,592	\$ 274,178

NOTE 13 – RISK MANAGEMENT

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

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

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

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 13 – RISK MANAGEMENT

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 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.

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

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, 2016

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 11.47 percent (11.35 percent for retirement and 0.12 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 11.47 percent (10.85 percent for retirement, 0.50 percent for health insurance premium benefit, and 0.12 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, 2016 were \$944,678.

In addition, the District was required by statute to contribute at the actuarially determined rate of 9.36 percent (9.17 for retirement, 0.13 percent for health insurance premium benefit, and 0.06 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:				
2016	\$	43,534	\$	10,448
2015		49,430		10,054
2014		48,617		19,447

Pension Liability. At June 30, 2016, the District reported a liability of \$14.1 million for its proportionate share of the net pension liability of the ASRS. The net pension liability was measured as of June 30, 2015. 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, 2014, to the measurement date of June 30, 2015. 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, 2015, the District’s proportion was 0.09 percent, which was a decrease of 0.002 from its proportion measured as of June 30, 2014.

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Pension Expense and Deferred Outflows/Inflows of Resources. For the year ended June 30, 2016, 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	\$ 385,815	\$ 740,882
Net difference between projected and actual earnings on pension plan investments		453,114
Changes in proportion and differences between contributions and proportionate share of contributions	680,066	199,111
Contributions subsequent to the measurement date	944,678	
Total	<u>\$ 2,010,559</u>	<u>\$ 1,393,107</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, 2017. 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:	
2017	\$ 132,570
2018	(441,366)
2019	(345,523)
2020	327,093

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

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, 2014
Actuarial roll forward date	June 30, 2015
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, 2014 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 8.79 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%	6.79%
Fixed income	25	3.70
Real estate	10	4.25
Multi-asset	5	3.41
Commodities	2	3.93
Total	<u>100%</u>	

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

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 8.79 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	\$18,526,531	\$14,138,702	\$11,131,601

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.

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, 2016

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other local	\$	\$	\$ 539,205	\$ 539,205
Property taxes			5,952,976	5,952,976
State aid and grants			5,393,224	5,393,224
Total revenues			<u>11,885,405</u>	<u>11,885,405</u>
Expenditures:				
Current -				
Instruction	7,420,001	7,657,886	7,273,981	383,905
Support services - students and staff	1,012,871	1,012,871	1,208,805	(195,934)
Support services - administration	1,953,341	1,953,341	1,988,251	(34,910)
Operation and maintenance of plant services	1,210,401	1,160,728	1,496,592	(335,864)
Student transportation services	686,099	686,099	412,700	273,399
Operation of non-instructional services	20,340	20,340	2,282	18,058
Capital outlay			31	(31)
Debt service -				
Principal retirement			55,626	(55,626)
Interest and fiscal charges			27,080	(27,080)
Total expenditures	<u>12,303,053</u>	<u>12,491,265</u>	<u>12,465,348</u>	<u>25,917</u>
Changes in fund balances	<u>(12,303,053)</u>	<u>(12,491,265)</u>	<u>(579,943)</u>	<u>11,911,322</u>
Fund balances, beginning of year			2,185,600	2,185,600
Fund balances (deficits), end of year	<u>\$ (12,303,053)</u>	<u>\$ (12,491,265)</u>	<u>\$ 1,605,657</u>	<u>\$ 14,096,922</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, 2016**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	<u>Original & Final</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:			
Federal aid, grants and reimbursements	\$	\$ 323,881	\$ 323,881
Total revenues		<u>323,881</u>	<u>323,881</u>
Expenditures:			
Current -			
Instruction	272,309	251,988	20,321
Support services - students and staff	<u>77,691</u>	<u>71,893</u>	<u>5,798</u>
Total expenditures	<u>350,000</u>	<u>323,881</u>	<u>26,119</u>
Changes in fund balances	<u>(350,000)</u>		<u>350,000</u>
Fund balances, beginning of year			
Fund balances (deficits), end of year	<u>\$ (350,000)</u>	<u>\$</u>	<u>\$ 350,000</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 TWO FISCAL YEARS**

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

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

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

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	\$ 12,518,863	\$ 1,764,369
Activity budgeted as special revenue funds	(53,515)	(158,712)
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	\$ 12,465,348	\$ 1,605,657

NOTE 2 – PENSION PLAN SCHEDULES

Change in Accounting Principle. For the year ended June 30, 2016, the District implemented the provisions of GASB Statement No. 82, *Pension Issues*. The statement changed the measure of payroll that is required to be presented in required supplementary information from covered-employee payroll to covered payroll. Accordingly, payroll amounts presented in the pension plan schedules and related ratios for prior periods have been restated.

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, 2014, 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.

(This page intentionally left blank)

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

(This page intentionally left blank)

GOVERNMENTAL FUNDS

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2016

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Fund</u>
<u>ASSETS</u>			
Cash and investments	\$ 612,186	\$ 23,991	\$ 636,177
Property taxes receivable		4,546	4,546
Due from governmental entities	419,954	8,424	428,378
Total assets	<u>\$ 1,032,140</u>	<u>\$ 36,961</u>	<u>\$ 1,069,101</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 15,573	\$ 16,211	\$ 31,784
Due to other funds	341,764	897	342,661
Accrued payroll and employee benefits	48,687		48,687
Unearned revenues	3,221		3,221
Total liabilities	<u>409,245</u>	<u>17,108</u>	<u>426,353</u>
Deferred inflows of resources:			
Unavailable revenues - property taxes		4,124	4,124
Fund balances (deficits):			
Restricted	649,719	16,626	666,345
Unassigned	(26,824)	(897)	(27,721)
Total fund balances	<u>622,895</u>	<u>15,729</u>	<u>638,624</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,032,140</u>	<u>\$ 36,961</u>	<u>\$ 1,069,101</u>

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, 2016

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:			
Other local	\$ 1,461,201	\$ 8,504	\$ 1,469,705
Property taxes		143,518	143,518
State aid and grants	919,702	43,975	963,677
Federal aid, grants and reimbursements	400,136		400,136
Total revenues	<u>2,781,039</u>	<u>195,997</u>	<u>2,977,036</u>
Expenditures:			
Current -			
Instruction	1,534,633		1,534,633
Support services - students and staff	242,844		242,844
Support services - administration	119,581		119,581
Operation and maintenance of plant services	2,321		2,321
Student transportation services	40		40
Operation of non-instructional services	837,233		837,233
Capital outlay	86,797	582,206	669,003
Total expenditures	<u>2,823,449</u>	<u>582,206</u>	<u>3,405,655</u>
Excess (deficiency) of revenues over expenditures	<u>(42,410)</u>	<u>(386,209)</u>	<u>(428,619)</u>
Other financing sources (uses):			
Capital lease agreements		413,000	413,000
Total other financing sources (uses):		<u>413,000</u>	<u>413,000</u>
Changes in fund balances	<u>(42,410)</u>	<u>26,791</u>	<u>(15,619)</u>
Fund balances (deficits), beginning of year	665,305	(11,062)	654,243
Fund balances, end of year	<u>\$ 622,895</u>	<u>\$ 15,729</u>	<u>\$ 638,624</u>

SPECIAL REVENUE FUNDS

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

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

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.

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

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

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

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

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

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

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.

Chemical Abuse Prevention Programs - to account for financial assistance received for chemical abuse awareness programs.

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, 2016

	Classroom Site	Instructional Improvement	Structured English Immersion
<u>ASSETS</u>			
Cash and investments	\$	\$ 17,766	\$
Due from governmental entities	67,288	22,337	161
Total assets	\$ 67,288	\$ 40,103	\$ 161
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds	65,833		161
Accrued payroll and employee benefits	28,279		
Unearned revenues			
Total liabilities	94,112		161
Fund balances (deficits):			
Restricted		40,103	
Unassigned	(26,824)		
Total fund balances	(26,824)	40,103	
 Total liabilities and fund balances	 \$ 67,288	 \$ 40,103	 \$ 161

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Promote Informed Parent Choice</u>	<u>Vocational Education</u>	<u>E-Rate</u>
\$ 109,423	\$ 38,669	\$ 1,775	\$ 11	\$ 10,318	\$ 254
<u>\$ 109,423</u>	<u>\$ 38,669</u>	<u>\$ 1,775</u>	<u>\$ 11</u>	<u>\$ 10,318</u>	<u>\$ 254</u>
\$ 98,254 11,169	38,669			10,318	
<u>109,423</u>	<u>38,669</u>	<u>1,775</u>	<u>11</u>	<u>10,318</u>	
					254
					<u>254</u>
<u>\$ 109,423</u>	<u>\$ 38,669</u>	<u>\$ 1,775</u>	<u>\$ 11</u>	<u>\$ 10,318</u>	<u>\$ 254</u>

(Continued)

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2016

	Other Federal Projects	State Vocational Education	Early Childhood Block Grant
<u>ASSETS</u>			
Cash and investments	\$	\$	\$
Due from governmental entities	4,593	2,030	135
Total assets	\$ 4,593	\$ 2,030	\$ 135
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds	4,593	2,030	135
Accrued payroll and employee benefits			
Unearned revenues			
Total liabilities	4,593	2,030	135
Fund balances (deficits):			
Restricted			
Unassigned			
Total fund balances			
 Total liabilities and fund balances	 \$ 4,593	 \$ 2,030	 \$ 135

<u>Failing Schools Tutoring Grant</u>	<u>Other State Projects</u>	<u>Food Service</u>	<u>Civic Center</u>	<u>Community School</u>	<u>Auxiliary Operations</u>
\$ 980	\$ 455	\$ 54,256	\$ 17,503	\$ 147,214	\$ 370,489
<u>\$ 980</u>	<u>\$ 455</u>	<u>\$ 54,256</u>	<u>\$ 17,503</u>	<u>\$ 147,214</u>	<u>\$ 370,489</u>
\$	\$	\$	\$	\$ 6,814	\$ 8,759
<u>980</u>	<u>455</u>	<u></u>	<u></u>	<u>6,814</u>	<u>8,759</u>
<u>980</u>	<u>455</u>	<u></u>	<u></u>	<u>6,814</u>	<u>8,759</u>
		54,256	17,503	140,400	361,730
		<u>54,256</u>	<u>17,503</u>	<u>140,400</u>	<u>361,730</u>
<u>\$ 980</u>	<u>\$ 455</u>	<u>\$ 54,256</u>	<u>\$ 17,503</u>	<u>\$ 147,214</u>	<u>\$ 370,489</u>

(Continued)

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2016

	Fingerprint	Textbooks	Insurance Refund
<u>ASSETS</u>			
Cash and investments	\$ 864	\$ 11	\$ 253
Due from governmental entities			
Total assets	\$ 864	\$ 11	\$ 253
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			
Accrued payroll and employee benefits			
Unearned revenues	_____	_____	_____
Total liabilities	_____	_____	_____
 Fund balances (deficits):			
Restricted	864	11	253
Unassigned			
Total fund balances	864	11	253
 Total liabilities and fund balances	\$ 864	\$ 11	\$ 253

<u>Grants and Gifts to Teachers</u>	<u>Advertisement</u>	<u>Joint Technical Education</u>	<u>Totals</u>
\$ 40	\$ 315	\$	\$ 612,186
		165,000	419,954
<u>\$ 40</u>	<u>\$ 315</u>	<u>\$ 165,000</u>	<u>\$ 1,032,140</u>
\$	\$	\$	\$ 15,573
		121,771	341,764
		9,239	48,687
			3,221
<u></u>	<u></u>	<u>131,010</u>	<u>409,245</u>
40	315	33,990	649,719
			(26,824)
<u>40</u>	<u>315</u>	<u>33,990</u>	<u>622,895</u>
<u>\$ 40</u>	<u>\$ 315</u>	<u>\$ 165,000</u>	<u>\$ 1,032,140</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, 2016

	Classroom Site	Instructional Improvement	Title I Grants
Revenues:			
Other local	\$ 5,687	\$ 119	\$
State aid and grants	807,460	86,992	
Federal aid, grants and reimbursements			125,232
Total revenues	813,147	87,111	125,232
Expenditures:			
Current -			
Instruction	1,043,471	36,753	125,232
Support services - students and staff	21,780	8,286	
Support services - administration		2,000	
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	1,065,251	47,039	125,232
Changes in fund balances	(252,104)	40,072	
Fund balances, beginning of year	225,280	31	
Fund balances (deficits), end of year	\$ (26,824)	\$ 40,103	\$

<u>Professional Development and Technology Grants</u>	<u>Vocational Education</u>	<u>E-Rate</u>	<u>Other Federal Projects</u>	<u>State Vocational Education</u>	<u>Other State Projects</u>
\$	\$	\$	\$	\$	\$
48,193	10,838		4,454	23,956	1,294
<u>48,193</u>	<u>10,838</u>		<u>4,454</u>	<u>23,956</u>	<u>1,294</u>
16,513			3,897	14,014	1,294
31,680	4,060		557	4,471	
	6,778			5,471	
<u>48,193</u>	<u>10,838</u>		<u>4,454</u>	<u>23,956</u>	<u>1,294</u>
		254			
<u>\$</u>	<u>\$</u>	<u>\$ 254</u>	<u>\$</u>	<u>\$</u>	<u>\$</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, 2016

	<u>Food Service</u>	<u>Civic Center</u>	<u>Community School</u>
Revenues:			
Other local	\$ 361,079	\$ 9,394	\$ 338,012
State aid and grants			
Federal aid, grants and reimbursements	211,419		
Total revenues	<u>572,498</u>	<u>9,394</u>	<u>338,012</u>
Expenditures:			
Current -			
Instruction			167,007
Support services - students and staff			
Support services - administration	19,317		
Operation and maintenance of plant services	2,321		
Student transportation services			
Operation of non-instructional services	531,633		127,197
Capital outlay	16,822		
Total expenditures	<u>570,093</u>	<u></u>	<u>294,204</u>
Changes in fund balances	<u>2,405</u>	<u>9,394</u>	<u>43,808</u>
Fund balances, beginning of year	51,851	8,109	96,592
Fund balances, end of year	<u>\$ 54,256</u>	<u>\$ 17,503</u>	<u>\$ 140,400</u>

<u>Auxiliary Operations</u>	<u>Fingerprint</u>	<u>Textbooks</u>	<u>Insurance Refund</u>	<u>Grants and Gifts to Teachers</u>	<u>Advertisement</u>
\$ 568,837	\$ 779	\$	\$ 2	\$	\$ 315
<u>568,837</u>	<u>779</u>		<u>2</u>		<u>315</u>
170,919	1,552				
98,264					
40					
178,403					
33,659					
<u>481,285</u>	<u>1,552</u>				
<u>87,552</u>	<u>(773)</u>		<u>2</u>		<u>315</u>
274,178	1,637	11	251	40	
<u>\$ 361,730</u>	<u>\$ 864</u>	<u>\$ 11</u>	<u>\$ 253</u>	<u>\$ 40</u>	<u>\$ 315</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, 2016

	Joint Technical Education	Totals
Revenues:		
Other local	\$ 176,977	\$ 1,461,201
State aid and grants		919,702
Federal aid, grants and reimbursements		400,136
Total revenues	176,977	2,781,039
Expenditures:		
Current -		
Instruction	124,900	1,534,633
Support services - students and staff	1,091	242,844
Support services - administration		119,581
Operation and maintenance of plant services		2,321
Student transportation services		40
Operation of non-instructional services		837,233
Capital outlay	24,067	86,797
Total expenditures	150,058	2,823,449
Changes in fund balances	26,919	(42,410)
Fund balances, beginning of year	7,071	665,305
Fund balances, end of year	\$ 33,990	\$ 622,895

(This page intentionally left blank)

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, 2016

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 5,687	\$ 5,687
State aid and grants		807,460	807,460
Federal aid, grants and reimbursements			
Total revenues		<u>813,147</u>	<u>813,147</u>
Expenditures:			
Current -			
Instruction	1,086,451	1,043,471	42,980
Support services - students and staff	25,133	21,780	3,353
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>1,111,584</u>	<u>1,065,251</u>	<u>46,333</u>
Changes in fund balances	<u>(1,111,584)</u>	<u>(252,104)</u>	<u>859,480</u>
Fund balances, beginning of year		225,280	225,280
Fund balances (deficits), end of year	<u>\$ (1,111,584)</u>	<u>\$ (26,824)</u>	<u>\$ 1,084,760</u>

Instructional Improvement			Student Success		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 119 86,992	\$ 119 86,992	\$	\$ 248	\$ 248
	<u>87,111</u>	<u>87,111</u>		<u>248</u>	<u>248</u>
200,000	36,753 8,286 2,000	163,247 (8,286) (2,000)			
<u>200,000</u>	<u>47,039</u>	<u>152,961</u>			
<u>(200,000)</u>	<u>40,072</u>	<u>240,072</u>		<u>248</u>	<u>248</u>
	31	31		38,252	38,252
<u>\$ (200,000)</u>	<u>\$ 40,103</u>	<u>\$ 240,103</u>	<u>\$</u>	<u>\$ 38,500</u>	<u>\$ 38,500</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, 2016

	Title I Grants		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		125,232	125,232
Total revenues		<u>125,232</u>	<u>125,232</u>
Expenditures:			
Current -			
Instruction	150,000	125,232	24,768
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>150,000</u>	<u>125,232</u>	<u>24,768</u>
Changes in fund balances	<u>(150,000)</u>		<u>150,000</u>
Fund balances, beginning of year			
Fund balances (deficits), end of year	<u>\$ (150,000)</u>	<u>\$</u>	<u>\$ 150,000</u>

Professional Development and Technology Grants			Title IV Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	48,193	48,193			
	48,193	48,193			
50,000	16,513 31,680	(16,513) 18,320	10,000		10,000
50,000	48,193	1,807	10,000		10,000
(50,000)		50,000	(10,000)		10,000
\$ (50,000)	\$	\$ 50,000	\$ (10,000)	\$	\$ 10,000

(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, 2016

	Promote Informed Parent Choice		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues			
Expenditures:			
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			
Total expenditures	25,000		25,000
Changes in fund balances	(25,000)		25,000
Fund balances, beginning of year			
Fund balances (deficits), end of year	\$ (25,000)	\$	\$ 25,000

Johnson O'Malley			Vocational Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
				10,838	10,838
				10,838	10,838
50,000		50,000	50,000	4,060	45,940
				6,778	(6,778)
50,000		50,000	50,000	10,838	39,162
(50,000)		50,000	(50,000)		50,000
\$ (50,000)	\$	\$ 50,000	\$ (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, 2016

	Medicaid Reimbursement		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues			
Expenditures:			
Current -			
Instruction	5,000		5,000
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	5,000		5,000
Changes in fund balances	(5,000)		5,000
Fund balances, beginning of year		67	67
Fund balances (deficits), end of year	\$ (5,000)	\$ 67	\$ 5,067

E-Rate			Other Federal Projects		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
				4,454	4,454
				4,454	4,454
50,000		50,000	150,000	3,897	146,103
				557	(557)
<u>50,000</u>		<u>50,000</u>	<u>150,000</u>	<u>4,454</u>	<u>145,546</u>
<u>(50,000)</u>		<u>50,000</u>	<u>(150,000)</u>		<u>150,000</u>
	254	254			
<u>\$ (50,000)</u>	<u>\$ 254</u>	<u>\$ 50,254</u>	<u>\$ (150,000)</u>	<u>\$</u>	<u>\$ 150,000</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, 2016

	State Vocational Education		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants		23,956	23,956
Federal aid, grants and reimbursements			
Total revenues		<u>23,956</u>	<u>23,956</u>
Expenditures:			
Current -			
Instruction	25,000	14,014	10,986
Support services - students and staff		4,471	(4,471)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		5,471	(5,471)
Total expenditures	<u>25,000</u>	<u>23,956</u>	<u>1,044</u>
Changes in fund balances	<u>(25,000)</u>		<u>25,000</u>
Fund balances, beginning of year			
Fund balances (deficits), end of year	<u>\$ (25,000)</u>	<u>\$</u>	<u>\$ 25,000</u>

Early Childhood Block Grant			Extended School Year - Pupils with Disabilities		
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>\$</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, 2016

	Chemical Abuse Prevention Programs		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues			
Expenditures:			
Current -			
Instruction	10,000		10,000
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	10,000		10,000
Changes in fund balances	(10,000)		10,000
Fund balances, beginning of year			
Fund balances (deficits), end of year	\$ (10,000)	\$	\$ 10,000

Gifted			Other State Projects		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
				1,294	1,294
				1,294	1,294
25,000		25,000	25,000	1,294	23,706
25,000		25,000	25,000	1,294	23,706
(25,000)		25,000	(25,000)		25,000
\$ (25,000)	\$	\$ 25,000	\$ (25,000)	\$	\$ 25,000

(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, 2016

	School Plant		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
Revenues:			
Other local	\$	\$ 49	\$ 49
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>49</u>	<u>49</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services	50,000		50,000
Capital outlay			
Total expenditures	<u>50,000</u>		<u>50,000</u>
Changes in fund balances	<u>(50,000)</u>	<u>49</u>	<u>50,049</u>
Fund balances, beginning of year		7,610	7,610
Fund balances (deficits), end of year	<u>\$ (50,000)</u>	<u>\$ 7,659</u>	<u>\$ 57,659</u>

Food Service			Civic Center		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 361,079	\$ 361,079	\$	\$ 9,394	\$ 9,394
	211,419	211,419			
	572,498	572,498		9,394	9,394
	19,317	(19,317)			
	2,321	(2,321)			
550,000	531,633	18,367	50,000		50,000
	16,822	(16,822)			
550,000	570,093	(20,093)	50,000		50,000
(550,000)	2,405	552,405	(50,000)	9,394	59,394
	51,851	51,851		8,109	8,109
\$ (550,000)	\$ 54,256	\$ 604,256	\$ (50,000)	\$ 17,503	\$ 67,503

(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, 2016

	Community School		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 338,012	\$ 338,012
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>338,012</u>	<u>338,012</u>
Expenditures:			
Current -			
Instruction	300,000	167,007	132,993
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services		127,197	(127,197)
Capital outlay			
Total expenditures	<u>300,000</u>	<u>294,204</u>	<u>5,796</u>
Changes in fund balances	<u>(300,000)</u>	<u>43,808</u>	<u>343,808</u>
Fund balances, beginning of year		96,592	96,592
Fund balances (deficits), end of year	<u>\$ (300,000)</u>	<u>\$ 140,400</u>	<u>\$ 440,400</u>

Auxiliary Operations			Gifts and Donations		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 568,837	\$ 568,837	\$	\$ 80,719	\$ 80,719
	<u>568,837</u>	<u>568,837</u>		<u>80,719</u>	<u>80,719</u>
500,000	170,919	329,081	100,000	18,764	81,236
	98,264	(98,264)		23,982	(23,982)
	40	(40)		1,470	(1,470)
	178,403	(178,403)			
	33,659	(33,659)		9,299	(9,299)
<u>500,000</u>	<u>481,285</u>	<u>18,715</u>	<u>100,000</u>	<u>53,515</u>	<u>46,485</u>
<u>(500,000)</u>	<u>87,552</u>	<u>587,552</u>	<u>(100,000)</u>	<u>27,204</u>	<u>127,204</u>
	274,178	274,178		84,703	84,703
<u>\$ (500,000)</u>	<u>\$ 361,730</u>	<u>\$ 861,730</u>	<u>\$ (100,000)</u>	<u>\$ 111,907</u>	<u>\$ 211,907</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, 2016

	Fingerprint		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 779	\$ 779
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>779</u>	<u>779</u>
Expenditures:			
Current -			
Instruction	10,000	1,552	8,448
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>10,000</u>	<u>1,552</u>	<u>8,448</u>
Changes in fund balances	<u>(10,000)</u>	<u>(773)</u>	<u>9,227</u>
Fund balances, beginning of year		1,637	1,637
Fund balances (deficits), end of year	<u>\$ (10,000)</u>	<u>\$ 864</u>	<u>\$ 10,864</u>

Insurance Proceeds			Textbooks		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
5,000		5,000	5,000		5,000
<u>5,000</u>		<u>5,000</u>	<u>5,000</u>		<u>5,000</u>
<u>(5,000)</u>		<u>5,000</u>	<u>(5,000)</u>		<u>5,000</u>
	27	27		11	11
<u>\$ (5,000)</u>	<u>\$ 27</u>	<u>\$ 5,027</u>	<u>\$ (5,000)</u>	<u>\$ 11</u>	<u>\$ 5,011</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, 2016

	Litigation Recovery		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
Revenues:			
Other local	\$	\$ 550	\$ 550
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>550</u>	<u>550</u>
Expenditures:			
Current -			
Instruction	1,000		1,000
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>1,000</u>		<u>1,000</u>
Changes in fund balances	<u>(1,000)</u>	<u>550</u>	<u>1,550</u>
Fund balances, beginning of year		2	2
Fund balances (deficits), end of year	<u>\$ (1,000)</u>	<u>\$ 552</u>	<u>\$ 1,552</u>

Indirect Costs			Insurance Refund		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 2	\$ 2
				2	2
25,000		25,000	5,000		5,000
<u>25,000</u>		<u>25,000</u>	<u>5,000</u>		<u>5,000</u>
<u>(25,000)</u>		<u>25,000</u>	<u>(5,000)</u>	2	<u>5,002</u>
				251	251
<u>\$ (25,000)</u>	<u>\$</u>	<u>\$ 25,000</u>	<u>\$ (5,000)</u>	<u>\$ 253</u>	<u>\$ 5,253</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, 2016

	Grants and Gifts to Teachers		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues			
Expenditures:			
Current -			
Instruction	10,000		10,000
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	10,000		10,000
Changes in fund balances	(10,000)		10,000
Fund balances, beginning of year		40	40
Fund balances (deficits), end of year	\$ (10,000)	\$ 40	\$ 10,040

Advertisement			Joint Technical Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 315	\$ 315	\$	\$ 176,977	\$ 176,977
	<u>315</u>	<u>315</u>		<u>176,977</u>	<u>176,977</u>
			150,000	124,900 1,091	25,100 (1,091)
			<u>150,000</u>	<u>24,067</u> <u>150,058</u>	<u>(24,067)</u> <u>(58)</u>
	<u>315</u>	<u>315</u>	<u>(150,000)</u>	<u>26,919</u>	<u>176,919</u>
				7,071	7,071
<u>\$</u>	<u>\$ 315</u>	<u>\$ 315</u>	<u>\$ (150,000)</u>	<u>\$ 33,990</u>	<u>\$ 183,990</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, 2016

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 1,542,767	\$ 1,542,767
State aid and grants		919,702	919,702
Federal aid, grants and reimbursements		400,136	400,136
Total revenues		<u>2,862,605</u>	<u>2,862,605</u>
Expenditures:			
Current -			
Instruction	2,472,451	1,553,397	919,054
Support services - students and staff	625,133	266,826	358,307
Support services - administration		121,051	(121,051)
Operation and maintenance of plant services		2,321	(2,321)
Student transportation services		40	(40)
Operation of non-instructional services	650,000	837,233	(187,233)
Capital outlay		96,096	(96,096)
Total expenditures	<u>3,747,584</u>	<u>2,876,964</u>	<u>870,620</u>
Changes in fund balances	<u>(3,747,584)</u>	<u>(14,359)</u>	<u>3,733,225</u>
Fund balances, beginning of year		795,966	795,966
Fund balances (deficits), end of year	<u>\$ (3,747,584)</u>	<u>\$ 781,607</u>	<u>\$ 4,529,191</u>

DEBT SERVICE FUND

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

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE
YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	<u>Original & Final</u>	<u>Actual</u>	
Revenues:			
Other local	\$	\$ 3,805	\$ 3,805
Property taxes		1,118,913	1,118,913
Federal aid, grants and reimbursements		104,129	104,129
Total revenues		<u>1,226,847</u>	<u>1,226,847</u>
Expenditures:			
Debt service -			
Principal retirement	575,000	575,000	
Interest and fiscal charges	640,000	639,261	739
Total expenditures	<u>1,215,000</u>	<u>1,214,261</u>	<u>739</u>
Changes in fund balances	<u>(1,215,000)</u>	<u>12,586</u>	<u>1,227,586</u>
Fund balances, beginning of year		768,229	768,229
Fund balances (deficits), end of year	<u>\$ (1,215,000)</u>	<u>\$ 780,815</u>	<u>\$ 1,995,815</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, 2016

	Unrestricted Capital Outlay	Adjacent Ways	Gifts and Donations - Capital
<u>ASSETS</u>			
Cash and investments	\$ 22,718	\$ 513	\$ 660
Property taxes receivable	4,546		
Due from governmental entities	8,424		
Total assets	\$ 35,688	\$ 513	\$ 660
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 16,211	\$	\$
Due to other funds			
Total liabilities	16,211		
Deferred inflows of resources:			
Unavailable revenues - property taxes	4,124		
Fund balances (deficits):			
Restricted	15,353	513	660
Unassigned			
Total fund balances	15,353	513	660
 Total liabilities, deferred inflows of resources and fund balances	 \$ 35,688	 \$ 513	 \$ 660

<u>Condemnation</u>	<u>Emergency Deficiencies Correction</u>	<u>Building Renewal Grant</u>	<u>New School Facilities</u>	<u>Totals</u>
\$ 23	\$	\$ 44	\$ 33	\$ 23,991
				4,546
				8,424
<u>\$ 23</u>	<u>\$</u>	<u>\$ 44</u>	<u>\$ 33</u>	<u>\$ 36,961</u>
\$	\$	\$	\$	\$ 16,211
	897			897
	<u>897</u>			<u>17,108</u>
				<u>4,124</u>
23		44	33	16,626
	(897)			(897)
<u>23</u>	<u>(897)</u>	<u>44</u>	<u>33</u>	<u>15,729</u>
<u>\$ 23</u>	<u>\$</u>	<u>\$ 44</u>	<u>\$ 33</u>	<u>\$ 36,961</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, 2016

	Unrestricted Capital Outlay	Adjacent Ways	Gifts and Donations - Capital
Revenues:			
Other local	\$ 8,496	\$ 4	\$ 4
Property taxes	143,518		
State aid and grants	35,558		
Total revenues	<u>187,572</u>	<u>4</u>	<u>4</u>
Expenditures:			
Capital outlay	581,306		
Total expenditures	<u>581,306</u>		
Excess (deficiency) of revenues over expenditures	<u>(393,734)</u>	<u>4</u>	<u>4</u>
Other financing sources (uses):			
Capital lease agreements	413,000		
Total other financing sources (uses):	<u>413,000</u>		
Changes in fund balances	<u>19,266</u>	<u>4</u>	<u>4</u>
Fund balances (deficits), beginning of year	(3,913)	509	656
Fund balances (deficits), end of year	<u>\$ 15,353</u>	<u>\$ 513</u>	<u>\$ 660</u>

<u>Condemnation</u>	<u>Emergency Deficiencies Correction</u>	<u>Building Renewal Grant</u>	<u>New School Facilities</u>	<u>Totals</u>
\$	\$	\$	\$	\$ 8,504
		8,417		143,518
		8,417		43,975
				195,997
	900			582,206
	900			582,206
	(900)	8,417		(386,209)
				413,000
				413,000
	(900)	8,417		26,791
23	3	(8,373)	33	(11,062)
<u>\$ 23</u>	<u>\$ (897)</u>	<u>\$ 44</u>	<u>\$ 33</u>	<u>\$ 15,729</u>

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2016

	Unrestricted Capital Outlay		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 8,496	\$ 8,496
Property taxes		143,518	143,518
State aid and grants		35,558	35,558
Total revenues		<u>187,572</u>	<u>187,572</u>
Expenditures:			
Capital outlay	302,911	168,306	134,605
Total expenditures	<u>302,911</u>	<u>168,306</u>	<u>134,605</u>
Changes in fund balances	<u>(302,911)</u>	<u>19,266</u>	<u>322,177</u>
Fund balances (deficits), beginning of year		(3,913)	(3,913)
Fund balances (deficits), end of year	<u>\$ (302,911)</u>	<u>\$ 15,353</u>	<u>\$ 318,264</u>

Adjacent Ways			Gifts and Donations - Capital		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 4	\$ 4	\$	\$ 4	\$ 4
	4	4		4	4
			50,000		50,000
			50,000		50,000
	4	4	(50,000)	4	50,004
	509	509		656	656
<u>\$</u>	<u>\$ 513</u>	<u>\$ 513</u>	<u>\$ (50,000)</u>	<u>\$ 660</u>	<u>\$ 50,660</u>

(Continued)

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2016

	Condemnation		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
Property taxes			
State aid and grants			
Total revenues			
Expenditures:			
Capital outlay	500		500
Total expenditures	500		500
Changes in fund balances	(500)		500
Fund balances (deficits), beginning of year		23	23
Fund balances (deficits), end of year	\$ (500)	\$ 23	\$ 523

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

Building Renewal Grant		
Budget	Actual	Variance - Positive (Negative)
\$	\$	\$
	8,417	8,417
	8,417	8,417
	8,417	8,417
	(8,373)	(8,373)
<u>\$</u>	<u>\$ 44</u>	<u>\$ 44</u>

(Continued)

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2016

	New School Facilities		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
Property taxes			
State aid and grants			
Total revenues			
Expenditures:			
Capital outlay			
Total expenditures			
Changes in fund balances			
Fund balances (deficits), beginning of year		33	33
Fund balances (deficits), end of year	\$	\$ 33	\$ 33

Totals		
Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 8,504	\$ 8,504
	143,518	143,518
	43,975	43,975
	<u>195,997</u>	<u>195,997</u>
353,411	169,206	184,205
<u>353,411</u>	<u>169,206</u>	<u>184,205</u>
(353,411)	26,791	380,202
	(11,062)	(11,062)
<u>\$ (353,411)</u>	<u>\$ 15,729</u>	<u>\$ 369,140</u>

(This page intentionally left blank)

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, 2016**

	Student Activities	Employee Withholding	Totals
<u>ASSETS</u>			
Cash and investments	\$ 148,537	\$ 4,792	\$ 153,329
Total assets	\$ 148,537	\$ 4,792	\$ 153,329
 <u>LIABILITIES</u>			
Deposits held for others	\$	\$ 4,792	\$ 4,792
Due to student groups	148,537		148,537
Total liabilities	\$ 148,537	\$ 4,792	\$ 153,329

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 2016

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<u>STUDENT ACTIVITIES</u>				
<u>Assets</u>				
Cash and investments	\$ 140,921	\$ 538,375	\$ 530,759	\$ 148,537
Total assets	<u>\$ 140,921</u>	<u>\$ 538,375</u>	<u>\$ 530,759</u>	<u>\$ 148,537</u>
<u>Liabilities</u>				
Due to student groups	\$ 140,921	\$ 538,375	\$ 530,759	\$ 148,537
Total liabilities	<u>\$ 140,921</u>	<u>\$ 538,375</u>	<u>\$ 530,759</u>	<u>\$ 148,537</u>
 <u>EMPLOYEE WITHHOLDING</u>				
<u>Assets</u>				
Cash and investments	\$	\$ 14,430	\$ 9,638	\$ 4,792
Total assets	<u>\$</u>	<u>\$ 14,430</u>	<u>\$ 9,638</u>	<u>\$ 4,792</u>
<u>Liabilities</u>				
Deposits held for others	\$	\$ 14,430	\$ 9,638	\$ 4,792
Total liabilities	<u>\$</u>	<u>\$ 14,430</u>	<u>\$ 9,638</u>	<u>\$ 4,792</u>
 <u>TOTAL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash and investments	\$ 140,921	\$ 552,805	\$ 540,397	\$ 153,329
Total assets	<u>\$ 140,921</u>	<u>\$ 552,805</u>	<u>\$ 540,397</u>	<u>\$ 153,329</u>
<u>Liabilities</u>				
Deposits held for others	\$	\$ 14,430	\$ 9,638	\$ 4,792
Due to student groups	140,921	538,375	530,759	148,537
Total liabilities	<u>\$ 140,921</u>	<u>\$ 552,805</u>	<u>\$ 540,397</u>	<u>\$ 153,329</u>

(This page intentionally left blank)

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.

(This page intentionally left blank)

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

	Fiscal Year Ended June 30				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Net Position:					
Net investment in capital assets	\$ 13,018,852	\$ 13,236,747	\$ 13,790,926	\$ 13,587,558	\$ 13,927,904
Restricted	1,482,005	1,526,552	1,460,282	1,542,118	1,485,356
Unrestricted	(12,952,805)	(11,505,564)	2,272,614	2,730,800	3,885,916
Total net position	<u>\$ 1,548,052</u>	<u>\$ 3,257,735</u>	<u>\$ 17,523,822</u>	<u>\$ 17,860,476</u>	<u>\$ 19,299,176</u>
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Net Position:					
Net investment in capital assets	\$ 10,685,283	\$ 9,639,277	\$ 10,193,084	\$ 8,394,898	\$ 7,610,523
Restricted	1,677,711	1,409,409	1,782,334	1,493,586	766,493
Unrestricted	4,556,263	6,353,513	4,309,304	5,763,809	4,992,270
Total net position	<u>\$ 16,919,257</u>	<u>\$ 17,402,199</u>	<u>\$ 16,284,722</u>	<u>\$ 15,652,293</u>	<u>\$ 13,369,286</u>

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)

	Fiscal Year Ended June 30				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Expenses					
Instruction	\$ 10,021,236	\$ 9,957,570	\$ 9,366,070	\$ 8,767,736	\$ 7,987,861
Support services - students and staff	1,584,374	1,243,850	1,071,992	1,090,665	1,164,971
Support services - administration	2,234,179	2,069,735	2,014,582	1,901,848	1,948,137
Operation and maintenance of plant services	1,535,988	1,639,384	1,501,218	1,356,566	1,532,044
Student transportation services	501,094	704,817	664,236	658,550	731,315
Operation of non-instructional services	873,531	852,547	767,742	735,868	758,700
Interest on long-term debt	666,341	661,261	682,186	702,586	723,586
Total expenses	<u>17,416,743</u>	<u>17,129,164</u>	<u>16,068,026</u>	<u>15,213,819</u>	<u>14,846,614</u>
Program Revenues					
Charges for services:					
Instruction	659,322	734,265	450,877	498,080	399,354
Operation of non-instructional services	927,073	1,024,731	793,597	754,893	719,384
Other activities	9,319	7,133	9,281	20,507	24,632
Operating grants and contributions	846,658	786,528	963,876	805,290	1,257,574
Capital grants and contributions	95,214	48,736	35,314	63,798	3,814,031
Total program revenues	<u>2,537,586</u>	<u>2,601,393</u>	<u>2,252,945</u>	<u>2,142,568</u>	<u>6,214,975</u>
Net (Expense)/Revenue	<u>\$ (14,879,157)</u>	<u>\$ (14,527,771)</u>	<u>\$ (13,815,081)</u>	<u>\$ (13,071,251)</u>	<u>\$ (8,631,639)</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>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Expenses					
Instruction	\$ 7,352,384	\$ 6,734,215	\$ 7,762,695	\$ 7,686,593	\$ 7,445,761
Support services - students and staff	1,128,476	1,136,111	1,138,342	1,162,706	986,463
Support services - administration	1,901,768	1,680,781	1,525,808	1,555,981	1,569,113
Operation and maintenance of plant services	1,164,884	1,078,542	1,213,598	1,314,067	1,280,082
Student transportation services	710,209	633,464	637,986	720,856	763,859
Operation of non-instructional services	651,310	517,588	547,764	587,168	461,551
Interest on long-term debt	932,029	60,124	110,315	159,664	214,322
Total expenses	<u>13,841,060</u>	<u>11,840,825</u>	<u>12,936,508</u>	<u>13,187,035</u>	<u>12,721,151</u>
Program Revenues					
Charges for services:					
Instruction	506,574	320,529	191,023	229,463	145,034
Operation of non-instructional services	690,668	480,402	103,428	422,470	555,437
Other activities	275	108,670	450,367	100,830	20,260
Operating grants and contributions	1,256,895	1,084,317	933,630	865,536	440,734
Capital grants and contributions	27,437	15,363	21,497	35,340	12,000
Total program revenues	<u>2,481,849</u>	<u>2,009,281</u>	<u>1,699,945</u>	<u>1,653,639</u>	<u>1,173,465</u>
Net (Expense)/Revenue	<u>\$ (11,359,211)</u>	<u>\$ (9,831,544)</u>	<u>\$ (11,236,563)</u>	<u>\$ (11,533,396)</u>	<u>\$ (11,547,686)</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)

	Fiscal Year Ended June 30				
	2016	2015	2014	2013	2012
Net (Expense)/Revenue	\$ (14,879,157)	\$ (14,527,771)	\$ (13,815,081)	\$ (13,071,251)	\$ (8,631,639)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	6,026,983	5,311,469	5,676,670	5,067,886	5,084,933
Property taxes, levied for debt service	1,135,210	930,045	937,675	1,005,109	1,031,717
Property taxes, levied for capital outlay	147,642	51,070	14,205	14,862	117
Investment income	16,399	11,058	12,343	30,630	24,835
Unrestricted county aid	402,109	466,615	479,603	336,894	244,435
Unrestricted state aid	6,323,234	6,569,926	6,357,931	5,177,170	4,625,521
Total general revenues	14,051,577	13,340,183	13,478,427	11,632,551	11,011,558
Changes in Net Position	\$ (827,580)	\$ (1,187,588)	\$ (336,654)	\$ (1,438,700)	\$ 2,379,919

(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>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Net (Expense)/Revenue	\$ (11,359,211)	\$ (9,831,544)	\$ (11,236,563)	\$ (11,533,396)	\$ (11,547,686)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	4,619,548	4,626,466	5,378,968	5,763,693	5,537,815
Property taxes, levied for debt service	1,172,518	918,273	1,134,293	1,784,578	1,273,146
Property taxes, levied for capital outlay	2,965		388,769	261,272	321,409
Investment income	46,539	89,188	125,772	273,152	290,678
Unrestricted county aid	202,339	194,609	2,613		2,408
Unrestricted state aid	4,491,717	4,405,999	4,838,577	5,733,708	5,507,479
Unrestricted federal aid	340,643	714,486			
Total general revenues	<u>10,876,269</u>	<u>10,949,021</u>	<u>11,868,992</u>	<u>13,816,403</u>	<u>12,932,935</u>
Changes in Net Position	<u>\$ (482,942)</u>	<u>\$ 1,117,477</u>	<u>\$ 632,429</u>	<u>\$ 2,283,007</u>	<u>\$ 1,385,249</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 2006-07 through 2008-09.

(Concluded)

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

	Fiscal Year Ended June 30				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Fund:					
Unassigned	\$ 1,764,369	\$ 2,316,261	\$ 2,474,660	\$ 2,495,796	\$ 3,707,704
Total General Fund	\$ 1,764,369	\$ 2,316,261	\$ 2,474,660	\$ 2,495,796	\$ 3,707,704
All Other Governmental Funds:					
Restricted	\$ 1,447,160	\$ 1,512,128	\$ 1,448,527	\$ 1,527,268	\$ 1,468,385
Unassigned	(27,721)	(89,656)	(101,347)		
Total all other governmental funds	\$ 1,419,439	\$ 1,422,472	\$ 1,347,180	\$ 1,527,268	\$ 1,468,385

(Continued)

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

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
General Fund:					
Nonspendable	\$ 203,440	\$	\$	\$	\$
Unassigned	4,616,782				
Reserved		104,348	27,481	41,826	39,041
Unreserved		4,169,785	3,565,116	3,094,754	2,067,602
Total General Fund	<u>\$ 4,820,222</u>	<u>\$ 4,274,133</u>	<u>\$ 3,592,597</u>	<u>\$ 3,136,580</u>	<u>\$ 2,106,643</u>
All Other Governmental Funds:					
Restricted	\$ 4,107,461	\$	\$	\$	\$
Reserved			5,061	6,368	15,184
Unreserved, reported in:					
Special revenue funds		1,180,953	1,086,900	1,833,467	2,204,896
Capital projects funds		14,627,820	1,050,592	688,542	544,164
Debt service fund		438,653	688,342	593,694	170,303
Total all other governmental funds	<u>\$ 4,107,461</u>	<u>\$ 16,247,426</u>	<u>\$ 2,830,895</u>	<u>\$ 3,122,071</u>	<u>\$ 2,934,547</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)

	Fiscal Year Ended June 30				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Federal sources:					
Federal grants	\$ 616,727	\$ 592,537	\$ 666,289	\$ 627,299	\$ 803,248
State Fiscal Stabilization (ARRA)					
Education Jobs					150,475
National School Lunch Program	211,419	192,259	195,319	183,383	150,126
Total federal sources	<u>828,146</u>	<u>784,796</u>	<u>861,608</u>	<u>810,682</u>	<u>1,103,849</u>
State sources:					
State equalization assistance	5,307,077	5,809,987	5,541,143	4,671,239	4,119,965
State grants	25,250	10,860	5,638	1,024	10,687
School Facilities Board	8,417			57,382	3,799,345
Other revenues	1,016,157	798,610	816,788	505,931	505,556
Total state sources	<u>6,356,901</u>	<u>6,619,457</u>	<u>6,363,569</u>	<u>5,235,576</u>	<u>8,435,553</u>
Local sources:					
Property taxes	7,215,407	6,637,180	6,537,158	6,094,262	5,865,771
County aid	402,109	466,615	479,603	336,894	244,435
Food service sales	347,041	330,297	344,596	355,780	350,232
Investment income	16,399	11,038	12,343	30,630	24,835
Other revenues	1,328,732	1,436,789	932,159	917,700	950,862
Total local sources	<u>9,309,688</u>	<u>8,881,919</u>	<u>8,305,859</u>	<u>7,735,266</u>	<u>7,436,135</u>
Total revenues	<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>	<u><u>\$ 16,975,537</u></u>

(Continued)

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

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Federal sources:					
Federal grants	\$ 1,393,012	\$ 650,149	\$ 462,687	\$ 382,909	\$ 333,402
State Fiscal Stabilization (ARRA)	85,945	714,486			
National School Lunch Program	139,300	117,030	95,996	82,250	90,313
Total federal sources	<u>1,618,257</u>	<u>1,481,665</u>	<u>558,683</u>	<u>465,159</u>	<u>423,715</u>
State sources:					
State equalization assistance	4,066,132	3,856,443	4,412,569	4,911,590	4,884,632
State grants	558,364	4,427	15,801	23,062	17,019
School Facilities Board				49,682	99,359
Other revenues	1,956	421,539	470,711	747,023	523,488
Total state sources	<u>4,626,452</u>	<u>4,282,409</u>	<u>4,899,081</u>	<u>5,731,357</u>	<u>5,524,498</u>
Local sources:					
Property taxes	5,794,132	5,598,296	7,184,854	7,554,479	7,080,927
County aid	202,339	194,609	2,613		2,408
Food service sales	362,348	369,979	357,958	339,407	248,476
Investment income	46,539	89,188	125,776	273,152	290,678
Other revenues	835,169	867,696	748,209	844,528	454,624
Total local sources	<u>7,240,527</u>	<u>7,119,768</u>	<u>8,419,410</u>	<u>9,011,566</u>	<u>8,077,113</u>
Total revenues	<u>\$ 13,485,236</u>	<u>\$ 12,883,842</u>	<u>\$ 13,877,174</u>	<u>\$ 15,208,082</u>	<u>\$ 14,025,326</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 2006-07 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)

	Fiscal Year Ended June 30				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Expenditures:					
Current -					
Instruction	\$ 9,079,366	\$ 8,820,174	\$ 8,611,301	\$ 8,077,648	\$ 7,246,054
Support services - students and staff	1,547,524	1,192,583	1,050,679	1,081,336	1,142,045
Support services - administration	2,109,302	1,960,115	1,902,719	1,781,396	1,833,652
Operation and maintenance of plant services	1,498,913	1,583,821	1,456,686	1,320,272	1,288,065
Student transportation services	412,740	597,598	587,749	577,018	631,667
Operation of non-instructional services	839,515	827,763	754,904	713,944	734,828
Capital outlay	678,333	175,964	161,036	170,349	6,503,794
Debt service -					
Claims and judgments					
Interest and fiscal charges	666,341	661,261	682,186	702,586	723,586
Principal retirement	630,626	550,000	525,000	510,000	420,000
Total expenditures	<u>\$ 17,462,660</u>	<u>\$ 16,369,279</u>	<u>\$ 15,732,260</u>	<u>\$ 14,934,549</u>	<u>\$ 20,523,691</u>
Expenditures for capitalized assets	\$ 479,189	\$ 41,839	\$ 91,413	\$ 148,442	\$ 6,378,149
Debt service as a percentage of noncapital expenditures	8%	7%	8%	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>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Expenditures:					
Current -					
Instruction	\$ 6,789,084	\$ 6,094,038	\$ 7,113,082	\$ 6,918,375	\$ 6,773,719
Support services - students and staff	1,095,676	1,126,222	1,118,350	1,151,946	926,638
Support services - administration	1,761,103	1,652,044	1,493,891	1,474,986	1,464,535
Operation and maintenance of plant services	1,210,658	1,123,431	1,094,962	1,245,946	1,102,254
Student transportation services	618,369	545,268	565,153	586,868	614,691
Operation of non-instructional services	632,312	483,339	532,602	559,977	439,499
Capital outlay	11,928,973	613,115	519,770	826,828	817,785
Debt service -					
Claims and judgments			38,556		
Interest and fiscal charges	932,029	56,475	110,315	159,664	214,322
Principal retirement	210,000	1,160,000	1,110,000	1,060,000	1,005,000
Bond issuance costs		203,800			
Total expenditures	<u>\$ 25,178,204</u>	<u>\$ 13,057,732</u>	<u>\$ 13,696,681</u>	<u>\$ 13,984,590</u>	<u>\$ 13,358,443</u>
Expenditures for capitalized assets	\$ 11,770,328	\$ 475,506	\$ 242,086	\$ 521,475	\$ 440,972
Debt service as a percentage of noncapital expenditures	9%	11%	9%	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)

	Fiscal Year Ended June 30				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Excess (deficiency) of revenues over expenditures	\$ (967,925)	\$ (83,107)	\$ (201,224)	\$ (1,153,025)	\$ (3,548,154)
Other financing sources (uses):					
Capital lease agreements	413,000				
Transfers in				1,684	5,702
Transfers out				(1,684)	(5,702)
Total other financing sources (uses)	413,000				
Changes in fund balances	\$ (554,925)	\$ (83,107)	\$ (201,224)	\$ (1,153,025)	\$ (3,548,154)
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Excess (deficiency) of revenues over expenditures	\$ (11,692,968)	\$ (173,890)	\$ 180,493	\$ 1,223,492	\$ 666,883
Other financing sources (uses):					
Issuance of school improvement bonds		14,000,000			
Premium on sale of bonds		200,151			
Transfers in	16,805	37,720	205,748	1,427	1,783
Transfers out	(16,805)	(37,720)	(205,748)	(1,427)	(1,783)
Total other financing sources (uses)		14,200,151			
Changes in fund balances	\$ (11,692,968)	\$ 14,026,261	\$ 180,493	\$ 1,223,492	\$ 666,883

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>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Commercial, Industrial, Utilities and Mining	\$ 6,952,635	\$ 6,681,647	\$ 6,174,230	\$ 6,167,792	\$ 6,240,606
Agricultural and Vacant	19,319,855	20,147,121	21,481,242	24,784,313	27,443,331
Residential (Owner Occupied)	130,843,020	128,288,690	134,604,074	145,580,914	161,144,061
Residential (Rental)	16,143,404	13,509,506	7,841,097	7,546,474	4,498,664
Historical Property	55,132	53,963	51,706	55,623	57,482
Certain Government Property Improvements					9,435
Total	\$ 173,314,046	\$ 168,680,927	\$ 170,152,349	\$ 184,135,116	\$ 199,393,579
Gross Full Cash Value	\$ 1,790,361,226	\$ 1,721,553,223	\$ 1,728,748,371	\$ 1,861,329,633	\$ 2,003,464,671
Ratio of Net Limited Assessed Value to Gross Full Cash Value	10%	10%	10%	10%	10%
Total Direct Rate	5.30	5.03	5.00	4.15	3.80

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Commercial, Industrial, Utilities and Mining	\$ 6,150,101	\$ 7,178,113	\$ 7,444,314	\$ 7,423,812	\$ 7,057,463
Agricultural and Vacant	29,604,611	28,972,009	25,926,129	22,168,604	19,408,417
Residential (Owner Occupied)	179,734,775	178,059,958	162,264,230	142,425,872	125,963,607
Residential (Rental)	4,792,568	4,114,000	3,469,371	3,272,474	2,869,395
Historical Property	59,414	57,243	52,186	47,424	42,559
Total	\$ 220,341,469	\$ 218,381,323	\$ 199,156,230	\$ 175,338,186	\$ 155,341,441
Gross Full Cash Value	\$ 2,235,227,040	\$ 2,324,387,909	\$ 1,943,053,074	\$ 1,975,056,876	\$ 1,640,754,290
Ratio of Net Limited Assessed Value to Gross Full Cash Value	10%	9%	10%	9%	9%
Total Direct Rate	3.35	3.18	4.37	5.10	5.48

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>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Commercial, Industrial, Utilities and Mining	\$ 6,979,059	\$ 6,691,415	\$ 6,306,055	\$ 6,183,034	\$ 6,334,940
Agricultural and Vacant	19,634,181	20,403,238	21,681,196	25,334,411	28,827,259
Residential (Owner Occupied)	132,786,136	128,424,010	134,725,227	145,689,889	161,412,859
Residential (Rental)	16,499,727	13,647,729	7,944,854	7,614,102	4,506,267
Historical Property	<u>55,132</u>	<u>53,963</u>	<u>52,419</u>	<u>56,623</u>	<u>66,917</u>
Total	<u>\$ 175,954,235</u>	<u>\$ 169,220,355</u>	<u>\$ 170,709,751</u>	<u>\$ 184,878,059</u>	<u>\$ 201,148,242</u>
Gross Full Cash Value	\$ 1,790,361,226	\$ 1,721,553,223	\$ 1,728,748,371	\$ 1,861,329,633	\$ 2,003,464,671
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10%	10%	10%	10%	10%
Total Direct Rate	5.30	5.03	5.00	4.15	3.80

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Commercial, Industrial, Utilities and Mining	\$ 6,371,777	\$ 7,481,560	\$ 8,075,955	\$ 7,580,440	\$ 7,189,411
Agricultural and Vacant	34,734,376	37,914,344	38,602,352	31,645,592	26,701,611
Residential (Owner Occupied)	181,495,989	189,234,195	187,616,164	160,592,930	132,887,737
Residential (Rental)	4,846,850	4,406,724	4,078,632	3,793,117	3,139,078
Historical Property	<u>60,029</u>	<u>61,884</u>	<u>60,823</u>	<u>58,048</u>	<u>48,650</u>
Total	<u>\$ 227,509,021</u>	<u>\$ 239,098,707</u>	<u>\$ 238,433,926</u>	<u>\$ 203,670,127</u>	<u>\$ 169,966,487</u>
Gross Full Cash Value	\$ 2,235,227,040	\$ 2,324,387,909	\$ 1,943,053,074	\$ 1,975,056,876	\$ 1,640,754,290
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10%	10%	12%	10%	10%
Total Direct Rate	3.35	3.18	4.37	5.10	5.48

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>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Commercial, Industrial, Utilities and Mining	19 %	19 %	20 %	20 %	20 %
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	16	15	15	15

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Commercial, Industrial, Utilities and Mining	21 %	22 %	23 %	24 %	25 %
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	17	18	20	21	22

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
	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
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
2007	0.00	4.56	0.37	0.37	1.25	0.04	0.12	1.23	0.00	0.00	4.09	1.39	5.48

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**

<u>Taxpayer</u>	<u>2016</u>		<u>2007</u>	
	<u>Net Limited Assessed Valuation</u>	<u>Percentage of District's Net Limited Assessed Valuation</u>	<u>Net Full Cash Assessed Valuation</u>	<u>Percentage of District's Net Full Cash Assessed Valuation</u>
Unisource Energy Group	\$ 2,988,227	1.72 %	\$	%
Southwest Gas Company	1,618,144	0.93	1,648,675	1.06
Arizona Sunshine Ranches	1,055,752	0.61	2,770,454	1.78
Landmark Title - TR 18300	602,372	0.35		
Landmark Title - TR 18152	503,995	0.29		
Galiuro TR	464,933	0.27		
Qwest Communications	458,879	0.26	2,430,521	1.56
Schifman Ronald Bruce & Stolov Sheila	428,842	0.25		
MLP communications, Inc.	426,533	0.25	543,893	0.35
Macco LLC	331,541	0.19		
Tucson Electric Power			2,209,564	1.42
49er Country Club			339,933	0.22
Private Individual			288,943	0.19
Private Individual			203,960	0.13
Private Individual			203,960	0.13
Private Individual			186,963	0.12
	<u>\$ 8,879,218</u>	<u>5.11 %</u>	<u>\$ 10,826,866</u>	<u>6.97 %</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**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Fiscal Years	Collected to the End of the Current Fiscal Year	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	\$ 7,281,966	\$ 7,069,703	97.09 %	N/A	\$ 7,069,703	97.09 %
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	208,890	5,997,151	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
2007	7,095,240	6,840,635	96.41	254,590	7,095,225	100.00

Source: The source of this information is the 2016 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
2016	\$ 11,210,000	\$ 811,536	10,398,464	0.58 %	\$ 743	\$ 1,239,477	\$ 12,449,477	0.70 %	\$ 889	N/A %
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	0.08	155		2,270,000	0.12	227	0.01
2008	3,330,000	797,846	2,532,154	0.13	253		3,330,000	0.17	333	0.01
2007	4,335,000	211,638	4,123,362	0.25	412		4,335,000	0.26	434	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, 2016**

<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	\$ 1,106,703,716	2.42 %	\$ 26,782,230
Pima Community College District	None	2.42	None
City of Tucson	566,683,691	5.93	33,604,343
Subtotal, Overlapping Debt			<u>60,386,573</u>
Direct:			
Tanque Verde Unified School District No. 13		100.00	<u>12,449,477</u>
Total Direct and Overlapping Governmental Activities Debt			<u>\$ 72,836,050</u>

DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation		6.00 %
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 5,056	
As a Percentage of Net Limited Assessed Valuation		40.84 %
As a Percentage of Gross Full Cash Value		3.95 %

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, 2015 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 2016:

Net full cash assessed valuation	\$ 175,954,235
Debt limit (20% of assessed value)	35,190,847
Debt applicable to limit	11,210,000
Legal debt margin	<u>\$ 23,980,847</u>

Total Legal Debt Margin Calculation for Fiscal Year 2016:

Net full cash assessed valuation	\$ 175,954,235
Debt limit (30% of assessed value)	52,786,271
Debt applicable to limit	11,210,000
Legal debt margin	<u>\$ 41,576,271</u>

Fiscal Year Ended June 30

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Debt Limit	\$ 52,786,271	\$ 50,766,107	\$ 51,212,925	\$ 55,463,418	\$ 60,344,473
Total net debt applicable to limit	<u>11,210,000</u>	<u>11,785,000</u>	<u>12,335,000</u>	<u>13,370,000</u>	<u>13,790,000</u>
Legal debt margin	<u>\$ 41,576,271</u>	<u>\$ 38,981,107</u>	<u>\$ 38,877,925</u>	<u>\$ 42,093,418</u>	<u>\$ 46,554,473</u>
Total net debt applicable to the limit as a percentage of debt limit	21%	23%	24%	24%	23%

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Debt Limit	\$ 68,252,706	\$ 71,729,612	\$ 71,530,178	\$ 61,101,038	\$ 50,989,946
Total net debt applicable to limit	<u>14,000,000</u>	<u>15,160,000</u>	<u>2,270,000</u>	<u>3,330,000</u>	<u>4,335,000</u>
Legal debt margin	<u>\$ 54,252,706</u>	<u>\$ 56,569,612</u>	<u>\$ 69,260,178</u>	<u>\$ 57,771,038</u>	<u>\$ 46,654,946</u>
Total net debt applicable to the limit as a percentage of debt limit	21%	21%	3%	5%	9%

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 and the statutory debt limit on Class B bonds. The calculations of the debt margins are presented in detail for the current fiscal year only.
- 2) Bond premium is not subject to the statutory debt limit.

**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>
2015	1,010,025	\$ N/A	\$ N/A	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
2006	981,280	29,806,619	31,418	4.0	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 2006 through 2010 is the University of Arizona, Eller College of Management, Economic and Business Research Center. For 2011 through 2015, 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>2016</u>		<u>2007</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 %	10,354	2.48 %
Raytheon Missile Systems	9,600	2.12	11,184	2.67
State of Arizona	8,580	1.89	9,927	2.37
Davis Monthan AFB	8,406	1.85		
Pima County	7,060	1.56	7,290	1.74
Tucson Unified School District	6,770	1.49	7,419	1.77
Banner-University Medicine	6,272	1.38		
U.S. Customs and Border Protection	5,739	1.27	8,233	1.97
Freeport-McMoran Mining	5,530	1.22		
Wal-Mart Stores, Inc.	5,500	1.21	5,625	1.35
Fort Huachuca			9,119	2.18
City of Tucson			5,849	1.40
Phelps Dodge Mining Co.			4,900	1.17
Total	<u>74,708</u>	<u>16.47 %</u>	<u>79,900</u>	<u>19.10 %</u>
Total employment	<u>453,300</u>		<u>418,111</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**

	Full-time Equivalent Employees as of June 30				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Supervisory					
Consultants/supervisors of instruction	4	4	4	4	4
Principals	4	4	4	4	4
Assistant principals	2	2	1	1	1
Total supervisory	<u>10</u>	<u>10</u>	<u>9</u>	<u>9</u>	<u>9</u>
Instruction					
Teachers	133	132	128	124	116
Other professionals (instructional)	7	1	1	1	1
Aides	55	51	49	47	46
Total instruction	<u>195</u>	<u>184</u>	<u>178</u>	<u>172</u>	<u>163</u>
Student Services					
Librarians	4	3	3	3	3
Technicians	1	1	1	1	1
Total student services	<u>5</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>
Support and Administration					
Service workers	81	78	78	78	77
Total support and administration	<u>81</u>	<u>78</u>	<u>78</u>	<u>78</u>	<u>77</u>
Total	<u><u>291</u></u>	<u><u>276</u></u>	<u><u>269</u></u>	<u><u>263</u></u>	<u><u>253</u></u>

(Continued)

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

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Supervisory					
Consultants/supervisors of instruction	4	4	4	4	4
Principals	4	4	4	3	3
Assistant principals	1	1	1	2	2
Total supervisory	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>
Instruction					
Teachers	109	105	103	95	95
Other professionals (instructional)	1	1	1	1	1
Aides	44	40	37	35	35
Total instruction	<u>154</u>	<u>146</u>	<u>141</u>	<u>131</u>	<u>131</u>
Student Services					
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>
Support and Administration					
Service workers	77	74	71	72	72
Total support and administration	<u>77</u>	<u>74</u>	<u>71</u>	<u>72</u>	<u>72</u>
Total	<u><u>244</u></u>	<u><u>233</u></u>	<u><u>225</u></u>	<u><u>216</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**

Fiscal Year Ended June 30	Average Daily Membership	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Free/Reduced Students
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
2007	1,425	11,321,336	7,945	(5.82)	12,721,151	8,927	(2.19)	131	10.9	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>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>	<u>2007</u>
<u>Schools</u>										
Elementary										
Buildings	23	2	2	2	2	2	2	2	2	2
Square feet	103,660	98,371	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	1,050	1,050	1,000	1,000	1,000	1,000
Enrollment	1,130	1,130	1,138	1,087	1,040	1,025	975	924	834	884
Middle										
Buildings	5	1	1	1	1	1	1	1	1	1
Square feet	57,124	57,124	57,124	57,124	57,124	57,443	57,443	57,443	57,443	57,443
Capacity	450	450	450	450	450	370	370	370	370	455
Enrollment	376	376	371	367	350	340	310	308	322	325
High										
Buildings	11	1	1	1	1	1	1	1	1	1
Square feet	94,194	94,194	94,194	94,194	94,194	17,100	17,100	17,100	17,100	17,100
Capacity	650	650	650	650	650	230	230	230	230	150
Enrollment	555	555	479	449	375	330	350	260	194	132
Other										
Buildings	4	4	4	4	4	1	1	1	1	1
Square feet	10,178	10,178	10,178	10,178	10,718	758	758	758	758	758
Administrative										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	14,425	14,425	14,425	14,425	14,425	40,211	40,211	40,211	40,211	40,211
Transportation										
Garages	1	1	1	1	1	1	1	1	1	1
Buses	19	17	17	17	17	17	17	17	17	17
Athletics										
Football fields	1	1	1	1	1	1	1	1	1	1
Soccer fields	4	4	4	4	3	2	2	2	2	2
Baseball/softball	3	3	3	3	7	6	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.

(This page intentionally left blank)