

# Tempe Elementary School District No. 3

Tempe, Arizona



## COMPREHENSIVE ANNUAL FINANCIAL REPORT

*For the Fiscal Year Ended June 30, 2019*



**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

# TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3

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## **INTRODUCTORY SECTION**



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January 23, 2020

Citizens and Governing Board  
Tempe Elementary School District No. 3  
P.O. Box 27708  
Tempe, AZ 85285-7708

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 Tempe Elementary School District No. 3 (District) for the fiscal year ended June 30, 2019.

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

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

**Governing Board**

Teresa Devine

Patrick Morales

Monica Trejo

Rochelle L. Wells

Charlotte Winsor

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

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

## **PROFILE OF THE DISTRICT**

The District is one of 58 public school districts located in Maricopa County, Arizona. It provides a program of public education from preschool through grade eight, with an estimated current enrollment of 11,553 students.

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 encompasses an area of 36 square miles in the city of Tempe, an urban hub of the greater Phoenix metropolitan area. Tempe is the eighth largest city in the state of Arizona and is the home of the largest public university in the country, Arizona State University. The city of Tempe's central location makes it an ideal destination with easy access to work, restaurants, entertainment and recreation.

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 greater Phoenix area, which includes the City of Tempe, continues to be an attractive place to live and work. It has been one of the most rapidly growing metropolitan areas in the country in terms of population, employment, and retail sales. This growth has been stimulated by a combination of warm climate, a substantial well-educated labor pool, a wide range of support industries, and a governmental climate that is supportive of economic growth and investment.

The City of Tempe itself is an attractive employment location with its proximity to Sky Harbor International airport, its central location to freeways to the metropolitan Phoenix area and its access to the light rail system. The City of Tempe has seen substantial growth from several major commercial developments over the last few years including Marina Heights at Tempe Town Lake and Liberty Center at Rio Salado. Financial, insurance, and technology companies now occupy approximately 19 million square feet of office space in the City. Companies like State Farm, Wells Fargo, LifeLock, First Solar, and Go Daddy all have a major presence in Tempe.

Advanced manufacturing continues to be the backbone of Tempe's economy. Other industries such as information technology, advanced business systems and aerospace also have a strong presence in Tempe. Biomedical is a newly emerging sector in the City. Tempe recently broke ground on an international biomedical and technology campus along Rio Salado just west of the Tempe Center for the Arts. This will bring high quality jobs and significant investment opportunities to the area.

Tempe Town Lake continues to be not only an economic centerpiece of Tempe, with more than 40,000 people working within a mile of the lake, but a recreational one as well. It is the second most visited tourist attraction behind the Grand Canyon and hosts many local events such as the P.F. Chang's Rock 'n' Roll Marathon and the annual New Year's Eve Block Party. Residents and visitors can enjoy many recreational activities such as rowing, sailing and biking along the lake or enjoy arts and entertainment at the Tempe Center for the Arts.

**Long-term Financial Planning.** The District has remained financially stable as the economy has recovered, student enrollment has grown and state funding has increased. The low unemployment rate and increased minimum wage have provided families with steady incomes in order to afford to move into or stay within the District. This has helped keep the student enrollment steady over the last three years.

The District's top priority has been and continues to be increasing teacher compensation. In recent years, the state appropriated additional funds for districts to increase teacher salaries over three years and reduced the yearly cuts of district additional assistance. Because of this, the District was able to give 11% raises to teachers in the last year and 5% raises this year, which has helped with the recruitment and retention of qualified staff. The District will continue to infuse available funds into teacher compensation in order to remain competitive in future years.

The District continues to renovate and replace outdated schools as part of a \$165 million voter approved bond program. The bond program is a part of the District's 2003-2004 Long-Range Facility Plan to make school sites more operationally efficient and meet 21<sup>st</sup> century learning standards. Since 2005, the District has systematically renovated 9 of the 22 school sites and is currently in the design stages for the remodel of Wood Elementary and Tempe Academy of International Studies. The District is also scheduled to begin the design process for the remodel of Gililand Middle School in the spring of 2020.

In addition to the bond program, the District received voter approval in November of 2019 to renew its District Additional Assistance (DAA) and Maintenance and Operations (M&O) budget overrides. The DAA override will provide \$5 million annually for seven years for musical instruments, school-based educational technology, school furniture and equipment, and information, management and security technology systems district wide. The M&O override will provide approximately \$9.7 million annually to maintain smaller class sizes in kindergarten through fifth grades, provide general and instrumental music in preschool through 8th grades, physical education classes, gifted education programs, counseling services in every school and additional support for students to increase academic achievement.

**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, 2018. This was the 27th consecutive year that the District has received this prestigious award. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2018. 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, 2019 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 and finance department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

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

Respectfully submitted,



Christine Busch  
Superintendent



Elizabeth Yeskey, CPA  
Assistant Superintendent of Business  
and Support Services



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

## **Tempe Elementary School District No. 3**

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

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



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

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**Tom Wohlleber, CSR**  
President

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

---

**David J. Lewis**  
Executive Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Tempe Elementary School District No. 3**  
**Arizona**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

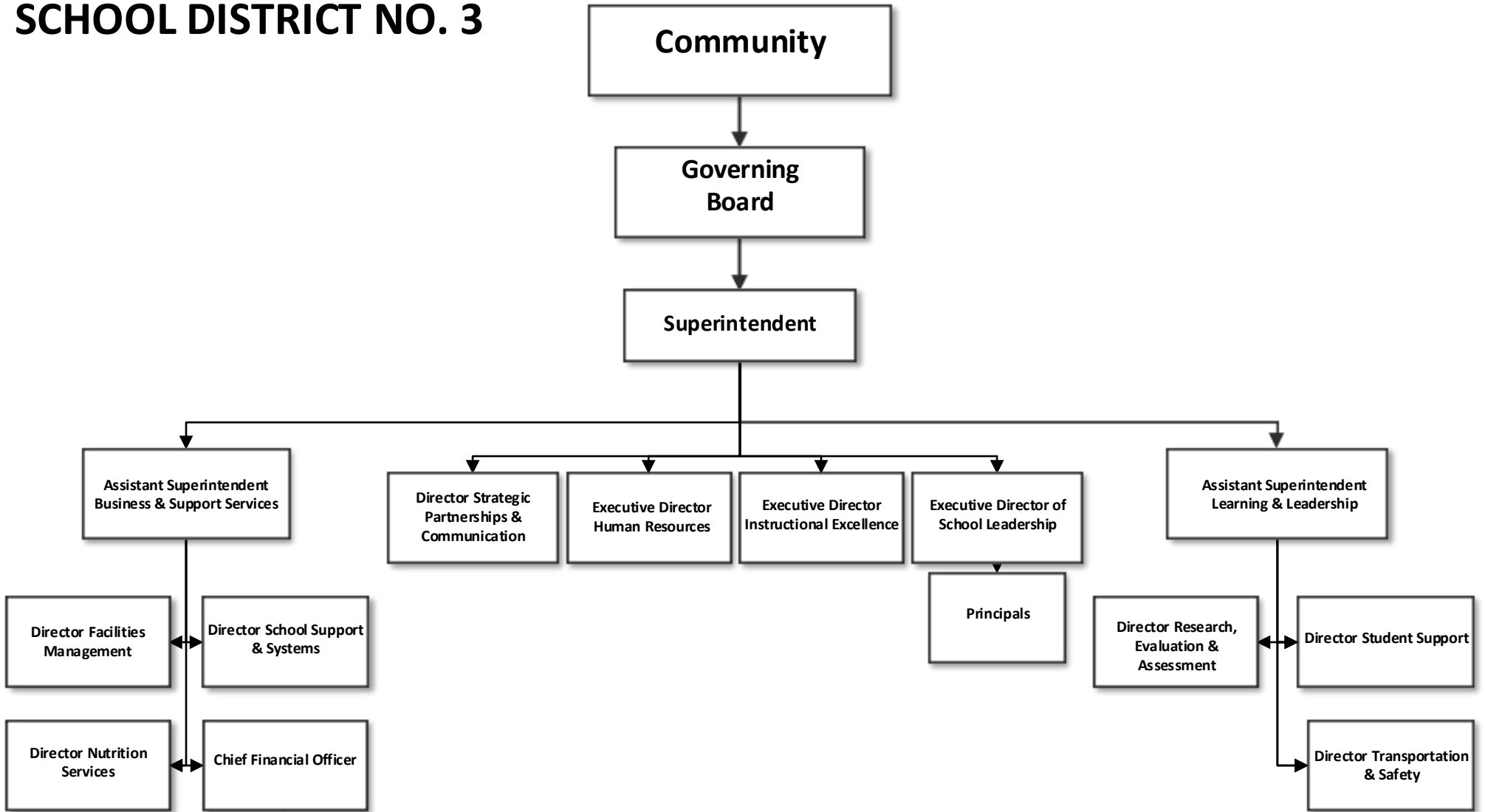
**June 30, 2018**

*Christopher P. Morill*

Executive Director/CEO



# TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3



**TEMPE ELEMETARY SCHOOL DISTRICT NO. 3**

**LIST OF PRINCIPAL OFFICIALS**

**GOVERNING BOARD**

Patrick Morales, President

Monica Trejo, Vice President

Rochelle L. Wells, Member

Teresa Devine, Member

Charlotte Winsor, Member

**ADMINISTRATIVE STAFF**

Christine Busch, Superintendent

Elizabeth Yeskey, CPA, Assistant Superintendent of Business and Support Services

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**FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

Governing Board  
Tempe Elementary School District No. 3

### **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 Tempe Elementary School District No. 3 (District), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 Tempe Elementary School District No. 3, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, net pension liability information, and other post employment benefit 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 23, 2020, on our consideration of Tempe Elementary School District No. 3's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Tempe Elementary School District No. 3's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Tempe Elementary School District No. 3's internal control over financial reporting and compliance.

*Heinfeld Meech & Co. PC*

Heinfeld, Meech & Co., P.C.  
Phoenix, Arizona  
January 23, 2020

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



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**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

As management of the Tempe Elementary School District No. 3 (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2019. The management's discussion and analysis is presented as required supplementary information to supplement the basic financial statements. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**FINANCIAL HIGHLIGHTS**

- The District's total net position of governmental activities increased \$14.0 million which represents a 80 percent increase from the prior fiscal year primarily as a result of an increase in unrestricted state aid due to an increase in the base support level.
- General revenues accounted for \$117.4 million in revenue, or 83 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$23.3 million or 17 percent of total current fiscal year revenues.
- The District had approximately \$126.7 million in expenses related to governmental activities, an increase of nine percent from the prior fiscal year.
- Among major funds, the General Fund had \$90.2 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$88.9 million in expenditures. The General Fund's fund balance increase from \$9.7 million at the prior fiscal year end to \$11.5 million at the end of the current fiscal year was primarily due to an increase in state aid, property taxes and grant revenues.
- The Bond Building Fund's fund balance increased \$19.6 million as a result of the issuance of school improvement bonds for the construction, renovation and rebuild of schools.
- Net position for the Internal Service Funds increased \$2.3 million from the prior fiscal year. Operating revenues of \$13.4 million exceeded operating expenses of \$11.2 million at the end of the current fiscal year.

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

## **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.

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 three categories: governmental funds, proprietary 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.

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**OVERVIEW OF FINANCIAL STATEMENTS**

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

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

**Proprietary funds.** The District maintains one type of proprietary fund. The internal service funds are accounting devices used to accumulate and allocate costs internally among the District's various functions. The District uses its internal service funds to account for its self insurance and transportation activities. Because this service predominantly benefits governmental functions, it has been included within governmental activities in the government-wide financial statements. The Insurance Benefit Fund functions for all employees of the District, and therefore has been included as an internal service fund. The other internal service fund includes the Transportation Services Fund which accounts for the operation of District functions that provide goods or services to other District departments on a cost reimbursement basis. Because this activity predominately benefits governmental functions, it has been included within governmental activities in the government-wide financial statements.

The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

**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.

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**OVERVIEW OF FINANCIAL STATEMENTS**

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

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

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$31.5 million at the current fiscal year end.

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

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

	As of June 30, 2019	As of June 30, 2018
Current assets	\$ 136,279,392	\$ 108,072,040
Capital assets, net	200,305,158	175,878,221
Total assets	<u>336,584,550</u>	<u>283,950,261</u>
Deferred outflows	<u>17,344,470</u>	<u>16,254,528</u>
Current and other liabilities	13,044,973	9,773,944
Long-term liabilities	293,383,381	264,328,292
Total liabilities	<u>306,428,354</u>	<u>274,102,236</u>
Deferred inflows	<u>15,872,340</u>	<u>8,491,950</u>
Net position:		
Net investment in capital assets	84,835,044	84,223,924
Restricted	19,596,927	18,620,858
Unrestricted	(72,803,645)	(85,234,179)
Total net position	<u>\$ 31,628,326</u>	<u>\$ 17,610,603</u>

At the end of the current fiscal year, the District reported positive balances in two categories of net position. Unrestricted net position, which is normally used to meet the District's mission reported a deficit of \$72.8 million. The deficit is due to the District's proportionate share of the state pension plan's unfunded liability as well as the stand alone single employer benefit plan liability. The same situation held true for the prior fiscal year.

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

- The principal retirement of \$13.6 million of bonds and \$1.8 million of bond premium.
- The addition of \$38.1 million in capital assets through the construction and renovation of schools and other school improvements and purchases of vehicles, furniture and equipment.
- The issuance of \$48.0 million of school improvement bonds.

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

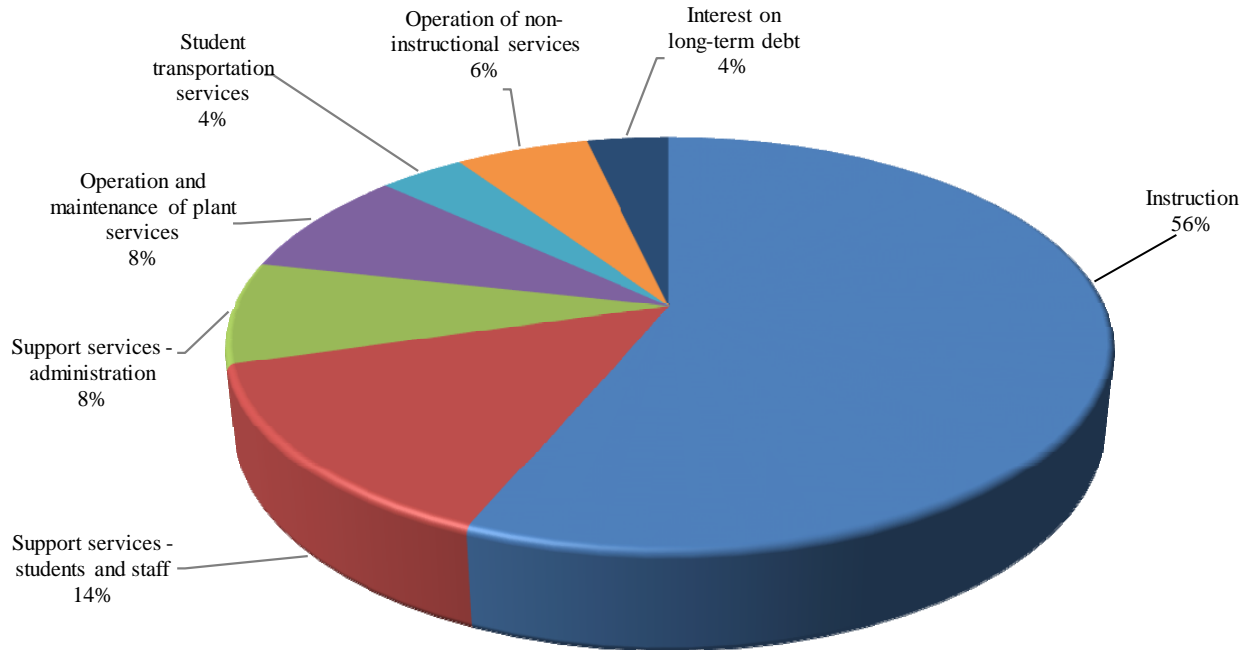
**Changes in net position.** The District's total revenues for the current fiscal year were \$140.7 million. The total cost of all programs and services was \$126.7 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2019 and June 30, 2018.

	Fiscal Year Ended June 30, 2019	Fiscal Year Ended June 30, 2018
<b>Revenues:</b>		
Program revenues:		
Charges for services	\$ 3,574,089	\$ 4,615,954
Operating grants and contributions	18,391,417	15,548,304
Capital grants and contributions	1,351,053	559,304
General revenues:		
Property taxes	73,643,207	72,489,514
Investment income	1,975,737	987,543
Unrestricted county aid	3,047,158	2,775,814
Unrestricted state aid	37,425,240	32,152,054
Unrestricted federal aid	1,289,533	965,759
<b>Total revenues</b>	140,697,434	130,094,246
<b>Expenses:</b>		
Instruction	71,322,023	61,693,826
Support services - students and staff	18,041,464	17,789,405
Support services - administration	10,064,378	9,777,558
Operation and maintenance of plant services	10,613,764	10,336,344
Student transportation services	4,723,021	4,696,363
Operation of non-instructional services	7,362,800	6,948,276
Interest on long-term debt	4,552,261	4,523,557
<b>Total expenses</b>	126,679,711	115,765,329
<b>Changes in net position</b>	14,017,723	14,328,917
<b>Net position, beginning</b>	17,610,603	3,281,686
<b>Net position, ending</b>	\$ 31,628,326	\$ 17,610,603

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Expenses - Fiscal Year 2019**



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

- Operating grants and contributions increased \$2.8 million primarily due to increased grant funding for the Building Renewal Grant for the renovations of school buildings.
- Unrestricted state aid increased \$5.3 million primarily due to an increase in the funding formula adopted by state legislature.
- Instructional expenses increased \$9.6 million primarily due to an increase in instructional salaries and benefits.

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.



**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

	Year Ended June 30, 2019		Year Ended June 30, 2018	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 71,322,023	\$ (59,769,050)	\$ 61,693,826	\$ (52,315,151)
Support services - students and staff	18,041,464	(15,284,413)	17,789,405	(15,000,038)
Support services - administration	10,064,378	(9,867,400)	9,777,558	(9,571,573)
Operation and maintenance of plant services	10,613,764	(9,859,460)	10,336,344	(9,694,816)
Student transportation services	4,723,021	(4,592,730)	4,696,363	(4,652,529)
Operation of non-instructional services	7,362,800	261,374	6,948,276	379,615
Interest on long-term debt	4,552,261	(4,251,473)	4,523,557	(4,187,275)
<b>Total</b>	<b>\$ 126,679,711</b>	<b>\$(103,363,152)</b>	<b>\$ 115,765,329</b>	<b>\$ (95,041,767)</b>

- The cost of all governmental activities this year was \$126.7 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$23.3 million.
- Net cost of governmental activities of \$103.4 million was financed by general revenues, which are made up of primarily property taxes of \$73.6 million and state and county aid of \$40.5 million. Investment earnings accounted for \$2.0 million of funding.

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

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

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$97.9 million, an increase of \$22.5 million due primarily to the issuance of school improvement bonds to fund the construction and renovation of multiple school sites.

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

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

The General Fund comprises 12 percent of the total fund balance. Approximately \$11.5 million, or 100 percent of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District. The fund balance increased \$1.8 million to \$11.5 million as of fiscal year end. General Fund revenues increased \$7.5 million. General Fund expenditures increased \$7.4 million, which is a 9.1 percent increase from the prior year.

The Debt Service Fund's fund balance increased \$2.1 million to \$3.7 million as of fiscal year end. Debt Service Fund revenues increased \$513,515. Debt Service Fund expenditures increased \$1.6 million, which is an increase of 8.7 percent from the prior year as a result of an increase in principal retirement payments.

The Unrestricted Capital Outlay Fund's fund balance decreased \$1.1 million to \$10.3 million as of fiscal year end as a result of an increase in capital outlay expenditures for the purchase of computers for the District's one to one computing initiative.

The Bond Building Fund's fund balance increased \$19.6 million to \$68.1 million as of fiscal year end as a result of the issuance of school improvement bonds for the construction, renovation and rebuild of schools.

**Proprietary funds.** Unrestricted net position of the Internal Service Funds at the end of the fiscal year amounted to \$7.6 million. The increase of \$2.3 million from the prior fiscal year was primarily due to employee contributions exceeding claims paid.

**BUDGETARY HIGHLIGHTS**

Over the course of the year, the District revised the General Fund annual expenditure budget. The difference between the original budget and the final amended budget was a \$176,711 decrease.

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 variance is summarized as follows:

The favorable variance of \$1.9 million in expenditures was a result of unused contingency and vacancy savings due to staffing shortages in various schools and departments.

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** At year end, the District had invested \$304.4 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 \$26.4 million from the prior fiscal year, primarily due to the continued renovation and completion of school site construction. Total depreciation expense for the current fiscal year was \$8.8 million.

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

	As of June 30, 2019	As of June 30, 2018
Capital assets - non-depreciable	\$ 28,125,656	\$ 11,995,440
Capital assets - depreciable, net	172,179,502	163,882,781
Total	\$ 200,305,158	\$ 175,878,221

The estimated cost to complete current construction projects is \$33.4 million.

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

**Debt Administration.** At year end, the District had \$185.3 million in long-term debt outstanding, \$13.6 million due within one year. Long-term debt increased by \$43.1 million.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 15 percent of the total net full cash assessed valuation) and the statutory debt limit on Class B bonds (the greater of 10 percent of the net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$296.5 million and the Class B debt limit is \$197.7 million, which are more than the District's total outstanding general obligation and Class B debt, respectively.

Additional information on the District's long-term debt can be found in Notes 10 and 11.

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The District's budgeted expenditures for fiscal year 2019-20 increased five percent to \$90.4 million. One of the key issues in the development of the fiscal 2019-20 budget was teacher compensation. The State of Arizona has been facing a teacher shortage due to low pay and low unemployment. With additional funding from the State of Arizona, the District was able to increase teacher pay by 5 percent to help attract and retain highly qualified staff. Other employee groups received pay increases as well ranging from 2 percent to almost 4.5 percent. The District will continue to invest in employee compensation, as competition for skilled employee escalates.

Student enrollment has remained relatively flat. The District continues to closely monitor shifts in housing and student population as the City of Tempe has had substantial economic development. The city has been experiencing significant growth in commercial development as well as multi-family housing redevelopment. As a result, property values have increased and affordable housing options for families have decreased. In order to maintain stable student enrollment with the changing housing market, the District has placed emphasis on specialty school programs to attract parents and students. The District has also invested in additional teachers to achieve smaller class sizes in grades K-5.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business and Finance Department, Tempe Elementary School District No. 3, 3205 South Rural Road, Tempe, Arizona 85282-3853.

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## **BASIC FINANCIAL STATEMENTS**

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**GOVERNMENT-WIDE FINANCIAL STATEMENTS**



**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2019**

	Governmental Activities
<b><u>ASSETS</u></b>	
Current assets:	
Cash and investments	\$ 120,292,065
Property taxes receivable	3,400,519
Deposits held by others	100,331
Accounts receivable	830,122
Due from governmental entities	11,255,696
Inventory	163,190
Total current assets	136,041,923
Noncurrent assets:	
Net other postemployment benefit assets	237,469
Capital assets not being depreciated	28,125,656
Capital assets, net of accumulated depreciation	172,179,502
Total noncurrent assets	200,542,627
<b>Total assets</b>	<b>336,584,550</b>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>	
Deferred charge on refunding	1,792,698
Pension and other postemployment benefit plan items	15,551,772
Total deferred outflows of resources	17,344,470
<b><u>LIABILITIES</u></b>	
Current liabilities:	
Accounts payable	564,284
Construction contracts payable	6,439,169
Claims payable	1,485,242
Accrued payroll and employee benefits	1,043,488
Compensated absences payable	1,478,222
Accrued interest payable	3,512,790
Bonds payable	13,640,000
Total current liabilities	28,163,195
Noncurrent liabilities:	
Non-current portion of long-term obligations	278,265,159
Total noncurrent liabilities	278,265,159
<b>Total liabilities</b>	<b>306,428,354</b>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>	
Pension and other postemployment benefit plan items	15,872,340
<b><u>NET POSITION</u></b>	
Net investment in capital assets	84,835,044
Restricted	19,596,927
Unrestricted	(72,803,645)
Total net position	\$ 31,628,326

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2019**

<b>Functions/Programs</b>	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Governmental activities:</b>					
Instruction	\$ 71,322,023	\$ 2,090,632	\$ 8,111,288	\$ 1,351,053	\$ (59,769,050)
Support services - students and staff	18,041,464	237,205	2,519,846		(15,284,413)
Support services - administration	10,064,378	175,129	21,849		(9,867,400)
Operation and maintenance of plant services	10,613,764	170,720	583,584		(9,859,460)
Student transportation services	4,723,021		130,291		(4,592,730)
Operation of non-instructional services	7,362,800	900,403	6,723,771		261,374
Interest on long-term debt	4,552,261		300,788		(4,251,473)
<b>Total governmental activities</b>	<u>\$ 126,679,711</u>	<u>\$ 3,574,089</u>	<u>\$ 18,391,417</u>	<u>\$ 1,351,053</u>	<u>(103,363,152)</u>

**General revenues:**

Taxes:

Property taxes, levied for general purposes	49,787,545
Property taxes, levied for debt service	17,947,173
Property taxes, levied for capital outlay	5,908,489
Investment income	1,975,737
Unrestricted county aid	3,047,158
Unrestricted state aid	37,425,240
Unrestricted federal aid	1,289,533

**Total general revenues**

117,380,875

**Changes in net position**

14,017,723

**Net position, beginning of year**

17,610,603

**Net position, end of year**

\$ 31,628,326

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

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**FUND FINANCIAL STATEMENTS**

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2019**

	General	Debt Service	Unrestricted Capital Outlay
<b><u>ASSETS</u></b>			
Cash and investments	\$ 1,108,223	\$ 20,790,513	\$ 11,781,114
Property taxes receivable	2,960,980	275,310	77,054
Deposits held by others			
Accounts receivable	670,564		
Due from governmental entities	9,137,377		
Due from other funds	1,495,679		
Inventory	38,954		
<b>Total assets</b>	<b>\$ 15,411,777</b>	<b>\$ 21,065,823</b>	<b>\$ 11,858,168</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 500,869	\$	\$
Construction contracts payable			1,528,051
Due to other funds			
Accrued payroll and employee benefits	710,384		
Bonds payable		13,640,000	
Bond interest payable		3,512,790	
<b>Total liabilities</b>	<b>1,211,253</b>	<b>17,152,790</b>	<b>1,528,051</b>
Deferred inflows of resources:			
Unavailable revenues - property taxes	2,710,972	185,702	52,189
Unavailable revenues - intergovernmental			
<b>Total deferred inflows of resources</b>	<b>2,710,972</b>	<b>185,702</b>	<b>52,189</b>
Fund balances (deficits):			
Nonspendable	38,954		
Restricted		3,727,331	10,277,928
Unassigned	11,450,598		
<b>Total fund balances</b>	<b>11,489,552</b>	<b>3,727,331</b>	<b>10,277,928</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <b>\$ 15,411,777</b>	 <b>\$ 21,065,823</b>	 <b>\$ 11,858,168</b>

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

<u>Bond Building</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 72,607,147	\$ 5,042,429	\$ 111,329,426
	87,175	3,400,519
	100,331	100,331
	39,082	709,646
	2,118,319	11,255,696
		1,495,679
	124,236	163,190
<u>\$ 72,607,147</u>	<u>\$ 7,511,572</u>	<u>\$ 128,454,487</u>
\$ 4,553,901	\$ 63,415	\$ 564,284
	357,217	6,439,169
	1,495,679	1,495,679
	333,104	1,043,488
		13,640,000
		3,512,790
<u>4,553,901</u>	<u>2,249,415</u>	<u>26,695,410</u>
	87,175	3,036,038
	836,672	836,672
	<u>923,847</u>	<u>3,872,710</u>
68,053,246	124,236	163,190
	5,142,366	87,200,871
	(928,292)	10,522,306
<u>68,053,246</u>	<u>4,338,310</u>	<u>97,886,367</u>
<u>\$ 72,607,147</u>	<u>\$ 7,511,572</u>	<u>\$ 128,454,487</u>

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**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2019**

<b>Total governmental fund balances</b>		<b>\$ 97,886,367</b>
<p>Amounts reported for <i>governmental activities</i> in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		
Governmental capital assets	\$304,449,849	
Less accumulated depreciation	<u>(104,144,691)</u>	200,305,158
<p>Some receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable revenues in the funds.</p>		
Property taxes	3,036,038	
Intergovernmental	<u>836,672</u>	3,872,710
<p>Deferred items related to the net cost of issuance of bonds are amortized over the life of the associated bond issue in the government-wide statements but not reported in the funds.</p>		
		1,792,698
<p>Deferred outflows and inflows of resources related to pensions/OPEB are applicable to future periods and, therefore, are not reported in the funds.</p>		
Deferred outflows of resources related to pensions/OPEB	15,551,772	
Deferred inflows of resources related to pensions/OPEB	<u>(15,872,340)</u>	(320,568)
<p>The Net OPEB asset is not a current financial resource and, therefore, is not reported in the funds.</p>		
		237,469
<p>The Internal Service Funds are used by management to charge the cost of insurance and transportation services to the individual funds. The assets and liabilities of the Internal Service Funds are included in the Statement of Net Position.</p>		
		7,597,873
<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	(3,697,846)	
Net OPEB liability	(12,819,199)	
Net pension liability	(91,550,278)	
Bonds payable	<u>(171,676,058)</u>	<u>(279,743,381)</u>
<b>Net position of governmental activities</b>		<b>\$ <u>31,628,326</u></b>

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



**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	General	Debt Service	Unrestricted Capital Outlay
<b>Revenues:</b>			
Other local	\$ 7,478,050	\$ 55,750	\$ 408,550
Property taxes	50,217,779	17,971,380	5,029,620
State aid and grants	31,177,646		462,478
Federal aid, grants and reimbursements	1,289,533	300,788	
<b>Total revenues</b>	<b>90,163,008</b>	<b>18,327,918</b>	<b>5,900,648</b>
<b>Expenditures:</b>			
Current -			
Instruction	48,224,658		
Support services - students and staff	16,061,949		
Support services - administration	10,453,819		
Operation and maintenance of plant services	10,189,416		
Student transportation services	3,756,553		
Operation of non-instructional services	197,702		
Capital outlay	45,674		7,049,988
Debt service -			
Principal retirement		13,640,000	
Interest and fiscal charges		6,032,822	
Bond issuance costs			
<b>Total expenditures</b>	<b>88,929,771</b>	<b>19,672,822</b>	<b>7,049,988</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>1,233,237</b>	<b>(1,344,904)</b>	<b>(1,149,340)</b>
<b>Other financing sources (uses):</b>			
Transfer in	553,830	3,460,496	
Transfer out			
Issuance of school improvement bonds			
Premium on sale of bonds			
<b>Total other financing sources (uses)</b>	<b>553,830</b>	<b>3,460,496</b>	
<b>Changes in fund balances</b>	<b>1,787,067</b>	<b>2,115,592</b>	<b>(1,149,340)</b>
<b>Fund balances, beginning of year</b>	<b>9,731,181</b>	<b>1,611,739</b>	<b>11,427,268</b>
Increase (decrease) in reserve for prepaid items	(19,250)		
Increase (decrease) in reserve for inventory	(9,446)		
<b>Fund balances, end of year</b>	<b>\$ 11,489,552</b>	<b>\$ 3,727,331</b>	<b>\$ 10,277,928</b>

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

<u>Bond Building</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 1,260,341	\$ 2,110,594	\$ 11,313,285
	799,972	74,018,751
	8,397,202	40,037,326
	14,293,261	15,883,582
<u>1,260,341</u>	<u>25,601,029</u>	<u>141,252,944</u>
	11,502,818	59,727,476
	3,044,175	19,106,124
	121,654	10,575,473
	766,033	10,955,449
	134,925	3,891,478
	7,063,114	7,260,816
35,382,242	2,207,228	44,685,132
		13,640,000
		6,032,822
393,981		393,981
<u>35,776,223</u>	<u>24,839,947</u>	<u>176,268,751</u>
<u>(34,515,882)</u>	<u>761,082</u>	<u>(35,015,807)</u>
		4,014,326
(3,460,496)	(553,830)	(4,014,326)
47,980,000		47,980,000
9,574,285		9,574,285
<u>54,093,789</u>	<u>(553,830)</u>	<u>57,554,285</u>
<u>19,577,907</u>	<u>207,252</u>	<u>22,538,478</u>
48,475,339	4,157,997	75,403,524
		(19,250)
	(26,939)	(36,385)
<u>\$ 68,053,246</u>	<u>\$ 4,338,310</u>	<u>\$ 97,886,367</u>

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2019**

**Changes in fund balances - total governmental funds** **\$ 22,538,478**

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	\$ 38,114,310	
Less current year depreciation	<u>(8,828,963)</u>	29,285,347

Issuance of long-term debt provides current financial resources to governmental funds, but the issuance increases long term liabilities in the Statement of Net Position.		(47,980,000)
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Some revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	(375,544)	
Intergovernmental	<u>(304,851)</u>	(680,395)

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.		13,640,000
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Governmental funds report pension/OPEB contributions as expenditures. However, they are reported as deferred outflows of resources in the Statement of Net Position. The change in the net pension/OPEB liability, adjusted for deferred items, is reported as pension/OPEB expense in the Statement of Activities.

Current year pension/OPEB contributions	9,591,804	
Pension/OPEB expense	<u>(1,465,266)</u>	8,126,538

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.

Prepaid items	(19,250)	
Inventory	(36,385)	
Deferred charges on issuance of debt	(272,657)	
Loss on disposal of assets	(4,858,410)	
Amortization of deferred bond items	(7,821,067)	
Compensated absences	<u>(198,101)</u>	(13,205,870)

The Internal Service Fund is used by management to charge the cost of insurance to the individual funds. The changes in net position of the Internal Service Fund is reported with governmental activities in the Statement of Activities.

2,293,625

**Changes in net position in governmental activities** **\$ 14,017,723**

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2019**

	Governmental Activities: Internal Service Funds
<b><u>ASSETS</u></b>	
Current assets:	
Cash and investments	\$ 8,962,639
Accounts receivable	120,476
Total current assets	9,083,115
<b>Total assets</b>	9,083,115
<b><u>LIABILITIES</u></b>	
Current liabilities:	
Claims payable	1,485,242
Total current liabilities	1,485,242
<b>Total liabilities</b>	1,485,242
<b><u>NET POSITION</u></b>	
Unrestricted	7,597,873
<b>Total net position</b>	\$ 7,597,873

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2019**

	Governmental Activities: Internal Service Funds
<b>Operating revenues:</b>	
Contributions	\$ 13,163,782
Charges for services	220,621
<b>Total operating revenues</b>	<u>13,384,403</u>
<b>Operating expenses:</b>	
Claims	8,054,069
Premiums	1,239,693
Administrative fees	1,718,787
Cost of services	203,114
<b>Total operating expenses</b>	<u>11,215,663</u>
<b>Operating income (loss)</b>	<u>2,168,740</u>
<b>Nonoperating revenues (expenses):</b>	
Investment income	124,885
<b>Total nonoperating revenues (expenses)</b>	<u>124,885</u>
<b>Changes in net position</b>	<u>2,293,625</u>
<b>Total net position, beginning of year</b>	5,304,248
<b>Total net position, end of year</b>	<u><u>\$ 7,597,873</u></u>

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2019**

	<b>Governmental Activities: Internal Service Funds</b>
<b><u>Increase/Decrease in Cash and Cash Equivalents</u></b>	
<b>Cash flows from operating activities:</b>	
Cash received from contributions	\$ 13,275,536
Cash received from other sources	198,325
Cash payments to suppliers for goods and services	(3,198,356)
Cash payments for claims	(7,241,877)
	<u>3,033,628</u>
<b>Net cash provided by/used for operating activities</b>	
 <b>Cash flows from investing activities:</b>	
Investment income	124,885
	<u>124,885</u>
<b>Net cash provided by/used for investing activities</b>	
	<u>3,158,513</u>
<b>Net increase/decrease in cash and cash equivalents</b>	
	<u>5,804,126</u>
<b>Cash and cash equivalents, beginning of year</b>	
	<u>8,962,639</u>
<b>Cash and cash equivalents, end of year</b>	
	<u>\$ 8,962,639</u>
 <b><u>Reconciliation of Operating Income/Loss to Net Cash Provided by/Used for Operating Activities</u></b>	
<b>Operating income/loss</b>	\$ 2,168,740
Adjustments to reconcile operating income/loss to net cash provided by/used for operating activities:	
Changes in assets and liabilities:	
Increase/decrease in accounts receivable	89,458
Increase/decrease in accounts payable	(12,133)
Increase/decrease in claims payable	812,192
Increase/decrease in accrued payroll	(24,629)
	<u>864,888</u>
<b>Total adjustments</b>	<u>864,888</u>
	<u>3,033,628</u>
<b>Net cash provided by/used for operating activities</b>	<u>\$ 3,033,628</u>

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2019**

	Agency
<b><u>ASSETS</u></b>	
Cash and investments	\$ 90,297
<b>Total assets</b>	\$ 90,297
 <b><u>LIABILITIES</u></b>	
Deposits held for others	\$ 10,010
Due to student groups	80,287
<b>Total liabilities</b>	\$ 90,297

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

The financial statements of the Tempe Elementary School District No. 3 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

**A. Reporting Entity**

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

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

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

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

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



**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**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 federal, state and county aid, and other items not included among program revenues are reported instead as general revenues.

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

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

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

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

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. The internal service funds are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

The District reports the following major governmental funds:

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

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.

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

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

Additionally, the District reports the following fund types:

Proprietary Funds – The Proprietary Funds are Internal Service Funds that account for (1) activities related to the District’s insurance programs, and (2) the operation of District functions that provide goods and services to other District departments on a cost reimbursement basis.

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

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

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

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.

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

**D. Cash and Investments**

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

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

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

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

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

**E. Investment Income**

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

**F. Receivables and Payables**

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

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

**G. Property Tax Calendar**

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

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

**H. Inventory**

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

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

**I. Prepaid Items**

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

**J. Capital Assets**

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

Capital assets are defined by the District as assets with an initial, individual cost in excess of \$5,000 and an estimated useful life of more than one year. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value.

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

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

Land improvements	15 – 50 years
Buildings and improvements	15 – 80 years
Vehicles, furniture and equipment	5 – 15 years

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

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

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

**L. Compensated Absences**

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

**M. Pensions and Other Postemployment Benefits**

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

**N. Long-term Obligations**

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**O. Interfund Activity**

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

**P. Net Position Flow Assumption**

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

**Q. Estimates**

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

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

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

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

***Committed.*** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action of the Governing Board. Those committed amounts cannot be used for any other purpose unless the Governing Board removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. 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. No assigned fund balance amounts are reported.



**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

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

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

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Unrestricted Capital Outlay Fund</u>	<u>Bond Building Fund</u>	<u>Non-Major Governmental Funds</u>
Fund Balances:					
Nonspendable:					
Inventory	\$ 38,954				\$ 124,236
Restricted:					
Debt service		3,727,331			
Capital projects			10,277,928		1,018,500
Bond building projects				68,053,246	
Voter approved initiatives					618,121
Federal and state projects					87,221
Food service					2,064,867
Civic center					456,942
Community school					357,295
Extracurricular activities					487,575
Other purposes					51,845
Unassigned	11,450,598				(928,292)
Total fund balances	<u>\$ 11,489,552</u>	<u>\$ 3,727,331</u>	<u>\$ 10,277,928</u>	<u>\$ 68,053,246</u>	<u>\$ 4,338,310</u>

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 3 – RESTRICTED NET POSITION**

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

	Governmental Activities
Restricted Net Position:	
Debt service	\$ 3,913,033
Capital projects	11,435,792
Voter approved initiatives	618,121
Federal and state projects	87,221
Food service	2,189,103
Civic center	456,942
Community school	357,295
Extracurricular activities	487,575
Other purposes	51,845
Total	\$ 19,596,927

**NOTE 4 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

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

	Deficit
Non-Major Governmental Funds:	
Title I Grants	\$ 363,360
Professional Development and Technology Grants	298,158
Limited English and Immigrant Students	40,135
Indian Education	38,285
Special Education Grants	75,735
Johnson O'Malley	11,177
Other Federal Projects	4,902
Failing Schools Tutoring Grant	4,920
Building Renewal Grant	91,620

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

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 5 – CASH AND INVESTMENTS**

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of bank failure the District’s deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District’s deposits was \$1,010,164 and the bank balance was \$1,121,042. At year end, \$871,042 of the District’s deposits were covered by collateral held by the pledging financial institution in the District’s name.

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

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

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

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

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer’s investment pool	318 days	\$ 119,372,198
		<u>\$ 119,372,198</u>

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

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

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 6 – RECEIVABLES**

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

	General Fund	Non-Major Governmental Funds
Due from other governmental entities:		
Due from federal government	\$ 115,536	\$ 979,640
Due from state government	9,021,841	1,138,679
Net due from governmental entities	\$ 9,137,377	\$ 2,118,319

**NOTE 7 – CAPITAL ASSETS**

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

	Beginning Balance	Increase	Decrease	Ending Balance
<u>Governmental Activities</u>				
Capital assets, not being depreciated:				
Land	\$ 1,748,080	\$	\$	\$ 1,748,080
Construction in progress	10,247,360	22,204,341	6,074,125	26,377,576
Total capital assets, not being depreciated	11,995,440	22,204,341	6,074,125	28,125,656
Capital assets, being depreciated:				
Land improvements	17,099,071	1,319,645	623,364	17,795,352
Buildings and improvements	219,065,085	19,656,574	9,457,789	229,263,870
Vehicles, furniture and equipment	29,850,243	1,007,875	1,593,147	29,264,971
Total capital assets being depreciated	266,014,399	21,984,094	11,674,300	276,324,193
Less accumulated depreciation for:				
Land improvements	(7,723,900)	(784,847)	(456,490)	(8,052,257)
Buildings and improvements	(78,063,938)	(5,947,049)	(4,868,735)	(79,142,252)
Vehicles, furniture and equipment	(16,343,780)	(2,097,067)	(1,490,665)	(16,950,182)
Total accumulated depreciation	(102,131,618)	(8,828,963)	(6,815,890)	(104,144,691)
Total capital assets, being depreciated, net	163,882,781	13,155,131	4,858,410	172,179,502
Governmental activities capital assets, net	\$ 175,878,221	\$ 35,359,472	\$ 10,932,535	\$ 200,305,158

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**NOTE 7 – CAPITAL ASSETS**

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 6,453,865
Support services – students and staff	301,154
Support services – administration	493,611
Operation and maintenance of plant services	204,785
Student transportation services	1,171,958
Operation of non-instructional services	203,590
Total depreciation expense – governmental activities	<u>\$ 8,828,963</u>

**Construction Commitments** – At year end, the District had contractual commitments related to the renovation and reconstruction of several schools. At year end, the District had spent \$26.4 million on the projects and had estimated remaining contractual commitments of \$33.4 million. These projects are being funded with bond proceeds and School Facilities Board grants.

**NOTE 8 – LEASE OF DISTRICT PROPERTY**

The District leases land to a third party under the provisions of a long-term lease agreement classified as an operating lease. Annual rental revenue from the lease is recognized in the School Plant Fund, a non-major governmental fund. The lease has a remaining noncancellable lease term of 21 years through June 30, 2040. The lease has renewal options to extend the lease through June 30, 2050 and June 30, 2060. As of June 30, 2019, the renewal options have not been exercised.

The future minimum payments required under the lease at June 30, 2019 are as follows:

Year Ending June 30:	
2020	\$ 264,000
2021	286,000
2022	286,000
2023	286,000
2024	286,000
2025-29	1,430,000
2030-34	1,518,000
2035-39	1,540,000
2040	308,000
Total minimum payments required	<u>\$ 6,204,000</u>

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
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**NOTE 9 – SHORT TERM DEBT**

Revolving Line of Credit – The District has a revolving line of credit to provide cash flow during the year to mitigate the impact of timing differences of expenditures and the receipt of state aid and property tax revenues. At year end, the District had \$15.0 million in unused line of credit.

**NOTE 10 – GENERAL OBLIGATION BONDS PAYABLE**

Bonds payable at year end consisted of the following outstanding general obligation bonds. Of the total amount originally authorized, \$55.0 million remains unissued. The bonds are callable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt. The District’s legal debt limit is \$296.5 million, and the available debt margin is \$115.8 million. In addition, a portion of the District’s school improvements bonds are Qualified Build America Bonds (BABS). The District receives a direct subsidy payment from the United States of America for a portion of the interest payment due on the bonds.

Purpose	Original Amount Issued	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2019	Due Within One Year
<b>Governmental activities:</b>					
Refunding Bonds, Series 2007	\$16,550,000	4.0-5.0%	7/1/19-25	\$ 9,355,000	\$ 105,000
School Improvement Bonds, Project of 2009, Series A-2 (2010)	25,170,000	5.0-6.0%	7/1/19-27	16,495,000	2,500,000
School Improvement Bonds, Project of 2009, Series C (2015)	37,560,000	1.75- 3.0%	7/1/19-23	21,860,000	10,700,000
Refunding Bonds, Series 2015	27,500,000	2.0-4.0%	7/1/19-25	27,260,000	85,000
School Improvement Bonds, Project of 2016, Series A 2017	47,875,000	3.5-5.0%	7/1/19-30	44,225,000	250,000
School Improvement Bonds, Project of 2016, Series B 2019	47,980,000	3.0-5.0%	7/1/21-32	47,980,000	
<b>Total</b>				<u>\$ 167,175,000</u>	<u>\$13,640,000</u>

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

Year ending June 30:	Governmental Activities	
	Principal	Interest
2020	\$ 13,640,000	\$ 7,015,896
2021	14,010,000	6,744,244
2022	14,580,000	6,232,626
2023	13,945,000	5,723,076
2024	13,595,000	5,213,901
2025-29	66,205,000	16,923,463
2030-33	31,200,000	2,996,250
<b>Total</b>	<u>\$ 167,175,000</u>	<u>\$ 50,849,456</u>

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**NOTE 11 – CHANGES IN LONG-TERM LIABILITIES**

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$ 131,875,000	\$ 47,980,000	\$ 12,680,000	\$ 167,175,000	\$ 13,640,000
Premium	10,319,991	9,574,285	1,753,218	18,141,058	
Total bonds payable	<u>142,194,991</u>	<u>57,554,285</u>	<u>14,433,218</u>	<u>185,316,058</u>	<u>13,640,000</u>
Net OPEB liability	16,816,974	106,708	4,104,483	12,819,199	
Net pension liability	101,816,582		10,266,304	91,550,278	
Compensated absences payable	3,499,745	1,902,641	1,704,540	3,697,846	1,478,222
Governmental activity long-term liabilities	<u>\$ 264,328,292</u>	<u>\$ 59,563,634</u>	<u>\$ 30,508,545</u>	<u>\$ 293,383,381</u>	<u>\$ 15,118,222</u>

**NOTE 12 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

At year end, interfund balances were as follows:

**Due to/from other funds** - At year end, several non-major governmental funds had negative cash balances of \$1.5 million in the Treasurer's pooled cash accounts. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with the General Fund. All interfund balances are expected to be paid within one year.

**Interfund transfers:**

Transfers out	Transfers in		
	General Fund	Debt Service Fund	Total
Bond Building Fund	\$	\$3,460,496	\$ 3,460,496
Non-Major Governmental Funds	553,830		553,830
Total	<u>\$ 553,830</u>	<u>\$3,460,496</u>	<u>\$ 4,014,326</u>

Transfers between funds were used to (1) move investment income and premium earned in the Bond Building Fund that is required by statute to be expended in the Debt Service Fund, (2) to record the issuance of school improvement bonds and (3) to move federal grant funds restricted for indirect costs.

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
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**NOTE 13 – CONTINGENT LIABILITIES**

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

**Arbitrage** – Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense or expenditure prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). Management believes there is no tax arbitrage rebate liability at year end.

**NOTE 14 – RISK MANAGEMENT**

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

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

The District continues to carry commercial insurance for other risks of loss, including life, dental and short-term disability. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The District established the Insurance Benefit Fund (an Internal Service Fund) to account for and finance its uninsured risks of loss related to employee health. In addition, employee withholdings for other insurance coverages are processed through this fund. Under this program, the Fund provides coverage for up to a maximum of \$150,000 for each claim, not to exceed an annual aggregate amount of \$11,250,684. The Fund purchases commercial insurance for claims in excess of this coverage. Settled claims have not exceeded this coverage in any of the past three fiscal years.



**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
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**NOTE 14 – RISK MANAGEMENT**

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate. All unpaid claims at year end are expected to be paid within one year. Changes in the balances of claims liabilities during the past two years are as follows:

	Year Ended June 30, 2019	Year Ended June 30, 2018
Unpaid claims, beginning of fiscal year	\$ 673,050	\$ 845,000
Incurred claims (including IBNRs)	(7,241,877)	8,746,955
Claim payments	8,054,069	(8,918,905)
Unpaid claims, end of fiscal year	<u>\$ 1,485,242</u>	<u>\$ 673,050</u>

**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

	Pension	OPEB
Net assets	\$	\$ (237,469)
Net liability	91,550,278	12,819,199
Deferred outflows of resources	13,177,432	2,374,340
Deferred inflows of resources	11,000,739	4,871,601
Expense	1,116,549	348,717
Contributions	7,940,996	1,650,808

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
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**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

**A. Arizona State Retirement System**

**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. Generally, resources from the General Fund are used to pay for pension and OPEB obligations. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2 and 2.1. ASRS is a component unit of the State of Arizona. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on the ASRS website at [www.azasrs.gov](http://www.azasrs.gov).

**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	

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**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

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

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

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

	Contributions
Pension	\$ 7,940,996
Health Insurance Premium	326,731
Long-Term Disability	113,646

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
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**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

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

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

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

	Net (Assets) Liability	District % Proportion	Increase (Decrease)
Pension	\$ 91,550,278	0.656	0.003
Health Insurance Premium	(237,469)	0.659	0.003
Long-Term Disability	343,489	0.657	0.004

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

	Expense
Pension	\$ 1,116,549
Health Insurance Premium	238,783
Long-Term Disability	123,912

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
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**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

	Deferred Outflows of Resources		
	Pension	Health Insurance Premium	Long-Term Disability
	Differences between expected and actual experience	\$ 2,522,136	\$
Changes of assumptions or other inputs	2,422,588	457,961	74,399
Changes in proportion and differences between contributions and proportionate share of contributions	291,712		1,319
Contributions subsequent to the measurement date	7,940,996	326,731	113,646
Total	\$ 13,177,432	\$ 784,692	\$ 198,148

	Deferred Inflows of Resources		
	Pension	Health Insurance Premium	Long-Term Disability
	Differences between expected and actual experience	\$ 504,702	\$ 219,174
Changes of assumptions or other inputs	8,117,189		
Net difference between projected and actual earnings on pension investments	2,201,567	474,380	33,270
Changes in proportion and differences between contributions and proportionate share of contributions	177,281	473	30
Total	\$ 11,000,739	\$ 694,027	\$ 33,300

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

Year Ending June 30:	Pension	Health Insurance Premium	Long-Term Disability
2020	\$ 714,469	\$ (92,067)	\$ 1,187
2021	(2,151,838)	(92,068)	1,187
2022	(3,339,616)	(92,068)	1,187
2023	(987,318)	9,006	10,098
2024		31,131	11,732
Thereafter			25,811

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
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**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

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

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

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

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

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
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**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

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

	Proportionate share of the net (assets) liability		
	1% Decrease	Current Discount Rate	1% Increase
Rate	6.5%	7.5%	8.5%
Pension	\$ 130,507,028	\$ 91,550,278	\$ 59,002,544
Health Insurance Premium	841,408	(237,469)	(1,156,457)
Long-Term Disability	389,269	343,489	299,070

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
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**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

**B. Single-Employer OPEB Plan**

**Plan Description.** Under authority of the Governing Board, the District provides postretirement insurance benefits, for certain retirees and their dependents, in accordance with the plan. The plan is a single-employer defined benefit OPEB plan administered by the District. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. Generally, resources from the General Fund are used to pay for postemployment benefits.

**Eligibility.** A retiree who was an employee of Tempe Elementary School District immediately prior to retirement and who was hired prior to July 1, 2004, is eligible for health benefits.

**Benefits Provided.** Under the authority of the Governing Board, the District provides postretirement insurance (health and dental) benefits for certain retirees and their dependents, in accordance with the plan. The plan is a single-employer defined benefit plan administered by the District. The District contributes of health premiums for employees who retire with 10 years of service and retires before July 1, 2009 or 20 years of service and retires on or after July 1, 2009 and has reached age 55. Participation ceases at age 65 or age 70 for administrators who retire prior to July 1, 2009. Benefits cease when the retiree’s benefit ceases. The District’s regular insurance providers underwrite the retiree policies. Retirees may not convert the benefit into an in-lieu payment to secure coverage under independent plans. The District currently pays for postemployment benefits on a pay-as-you-go basis.

**Contributions.** The District contributes \$6,788 for employees who retired with 10 years of service before July 1, 2009 or employees who retire with 20 years of service and retires on or after July 1, 2009 and have reached age 55. For the current fiscal year, the District contributed \$984,319 and included the employee ASRS subsidy of \$226,112, for these benefits. The District’s regular insurance providers underwrite the retiree policies. Retirees may not convert the benefit into an in-lieu payment to secure coverage under independent plans. A separate financial report is not issued for the plan.

**Employees covered by benefit terms.** The following employees were covered as of the effective date of the OPEB valuation:

Inactive employees or beneficiaries	126
currently receiving benefit payments	
Active employees	369
Total	495

**Total OPEB Liability.** The District’s total OPEB liability of \$12,475,710 was measured as of June 30, 2018, and was determined by an actuarial valuation as of that date.



**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

**Actuarial Assumptions and Other Inputs.** Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit cost between the employer and plan members to that point. The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Measurement date	June 30, 2018
Actuarial valuation date	June 30, 2018
Investment rate of return	3.87%
Inflation rate	2.7%
Projected salary increases	2.5%
Actuarial Cost Method	Entry Age Normal
Health care cost trend rate:	
Medical and Prescription Drug	(9.45) in 2017/18 graded to 4.5 over 10 years
Retiree contribution increase	Consistent with medical/drug trends
ASRS subsidy increases	The annual ASRS subsidies were assumed as shown below with no future increase assumed
Cost of living adjustments	N/A

The discount rate is based on the estimate of expected long-term plan experience.

Mortality rates were based on the RP-2014 Employee Mortality Table, Projected to 2017 using the Ultimate MP 2017 unisex scales for active employees. Morality rates for retirees were based on the 2017 State Retirees of Arizona (SRA) Mortality Table, projected to 2017 using the Ultimate MP 2017 Unisex scales for retired employees. Disabled Mortality Rates were based on RP-2014 disabled retiree mortality table.

**Changes in the Total OPEB Liability**

Total OPEB Liability – beginning of year	\$ 16,580,193
Changes for the year:	
Service cost	302,810
Interest	582,440
Changes of benefit terms	
Differences between expected and actual experience	(2,663,170)
Changes in assumptions or other inputs	(1,099,131)
Benefit payments	(1,227,432)
Total OPEB Liability – end of year	<u>\$ 12,475,710</u>

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

**Sensitivity of the total OPEB liability to changes in the discount rate.** The following presents the total OPEB liability of the District, as well as what the District’s total OPEB 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 (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
Total OPEB liability	\$ 13,374,072	\$ 12,475,710	\$ 11,645,411

**Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.** The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 11,512,583	\$ 12,475,710	\$ 13,560,715

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.** For the year ended June 30, 2019, the District recognized OPEB expense of \$(13,978). At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 181,069	\$ 2,185,899
Changes of assumptions or other inputs		1,958,375
Contributions subsequent to the measurement date	1,210,431	
Total	\$ 1,391,500	\$ 4,144,274

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

Year Ending June 30:		
2020	\$	(674,248)
2021		(674,248)
2022		(674,248)
2023		(674,248)
2024		(391,061)

**REQUIRED SUPPLEMENTARY INFORMATION**

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL  
YEAR ENDED JUNE 30, 2019**

	<u>Budgeted Amounts</u>		<u>Non-GAAP Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Other local	\$	\$	\$ 4,411,190	\$ 4,411,190
Property taxes			50,217,779	50,217,779
State aid and grants			31,177,646	31,177,646
<b>Total revenues</b>			<u>85,806,615</u>	<u>85,806,615</u>
<b>Expenditures:</b>				
Current -				
Instruction	46,234,703	46,492,354	45,403,787	1,088,567
Support services - students and staff	16,382,398	15,483,231	15,513,943	(30,712)
Support services - administration	9,600,412	9,777,329	9,714,429	62,900
Operation and maintenance of plant services	9,845,909	10,132,992	10,101,182	31,810
Student transportation services	4,450,189	4,450,994	3,717,187	733,807
Operation of non-instructional services	133,238	133,238	122,545	10,693
<b>Total expenditures</b>	<u>86,646,849</u>	<u>86,470,138</u>	<u>84,573,073</u>	<u>1,897,065</u>
<b>Changes in fund balances</b>	<u>(86,646,849)</u>	<u>(86,470,138)</u>	<u>1,233,542</u>	<u>87,703,680</u>
<b>Fund balances, beginning of year</b>			8,251,305	8,251,305
Increase (decrease) in reserve for prepaid items			(19,250)	(19,250)
Increase (decrease) in reserve for inventory			(9,446)	(9,446)
<b>Fund balances (deficits), end of year</b>	<u>\$ (86,646,849)</u>	<u>\$ (86,470,138)</u>	<u>\$ 9,456,151</u>	<u>\$ 95,926,289</u>

See accompanying notes to this schedule.

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**ARIZONA STATE RETIREMENT SYSTEM**  
**LAST FIVE FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Measurement date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension (assets) liability	0.66%	0.65%	0.66%	0.66%	0.66%
District's proportionate share of the net pension (assets) liability	\$ 91,550,278	\$ 101,816,582	\$ 105,813,970	\$ 102,914,086	\$ 97,280,165
District's covered payroll	\$ 64,913,000	\$ 63,711,364	\$ 60,236,276	\$ 60,841,120	\$ 55,339,167
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	141.04%	159.81%	175.66%	169.15%	175.79%
Plan fiduciary net position as a percentage of the total pension liability	73.40%	69.92%	67.06%	68.35%	69.49%

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 7,940,996	\$ 7,075,517	\$ 6,868,085	\$ 6,535,636	\$ 6,625,598
Contributions in relation to the actuarially determined contribution	<u>7,940,996</u>	<u>7,075,517</u>	<u>6,868,085</u>	<u>6,535,636</u>	<u>6,625,598</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 71,028,587	\$ 64,913,000	\$ 63,711,364	\$ 60,236,276	\$ 60,841,120
Contributions as a percentage of covered payroll	11.18%	10.90%	10.78%	10.85%	10.89%

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

See accompanying notes to this schedule.

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**ARIZONA STATE RETIREMENT SYSTEM - HEALTH INSURANCE PREMIUM**  
**LAST TWO FISCAL YEARS**

	<u>2019</u>	<u>2018</u>
Measurement date	June 30, 2018	June 30, 2017
District's proportion of the net OPEB (assets) liability	0.66%	0.66%
District's proportionate share of the net OPEB (assets) liability	\$ (237,469)	\$ (357,219)
District's covered payroll	\$ 64,913,000	\$ 63,711,364
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	(0.37)%	(0.56)%
Plan fiduciary net position as a percentage of the total OPEB liability	102.20%	103.57%

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

	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 326,731	\$ 285,617
Contributions in relation to the actuarially determined contribution	<u>326,731</u>	<u>285,617</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 71,028,587	\$ 64,913,000
Contributions as a percentage of covered payroll	0.46%	0.44%

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

See accompanying notes to this schedule.

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**ARIZONA STATE RETIREMENT SYSTEM - LONG-TERM DISABILITY**  
**LAST TWO FISCAL YEARS**

	<u>2019</u>	<u>2018</u>
Measurement date	June 30, 2018	June 30, 2017
District's proportion of the net OPEB (assets) liability	0.66%	0.65%
District's proportionate share of the net OPEB (assets) liability	\$ 343,489	\$ 236,781
District's covered payroll	\$ 64,913,000	\$ 63,711,364
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	0.53%	0.37%
Plan fiduciary net position as a percentage of the total OPEB liability	77.83%	84.44%

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

	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 113,646	\$ 103,861
Contributions in relation to the actuarially determined contribution	<u>113,646</u>	<u>103,861</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 71,028,587	\$ 64,913,000
Contributions as a percentage of covered payroll	0.16%	0.16%

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

See accompanying notes to this schedule.



**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**OTHER POSTEMPLOYMENT BENEFITS PLAN**  
**LAST TWO FISCAL YEARS**

	<u>2019</u>	<u>2018</u>
Measurement date	June 30, 2018	June 30, 2017
<b>Total OPEB liability</b>		
Service cost	\$ 302,810	\$ 428,845
Interest	582,440	521,599
Changes of benefit terms		
Differences between expected and actual experience	(2,663,170)	302,593
Changes of assumptions or other inputs	(1,099,131)	(1,765,095)
Benefit payments	<u>(1,227,432)</u>	<u>(1,561,262)</u>
<b>Net change in total OPEB liability</b>	<u>(4,104,483)</u>	<u>(2,073,320)</u>
<b>Total OPEB liability—beginning</b>	<u>16,580,193</u>	<u>18,653,513</u>
<b>Total OPEB liability—ending</b>	<u><u>\$ 12,475,710</u></u>	<u><u>\$ 16,580,193</u></u>
<b>Covered-employee payroll</b>	\$ 16,971,045	\$ 18,715,107
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	73.51%	88.59%

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

See accompanying notes to this schedule.

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2019**

**NOTE 1 – BUDGETARY BASIS OF ACCOUNTING**

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

- 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	\$ 88,929,771	\$ 11,489,552
Activity budgeted as special revenue funds	(4,356,698)	(2,033,401)
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	\$ 84,573,073	\$ 9,456,151

**NOTE 2 – PENSION AND OPEB PLAN SCHEDULES**

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

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

The stand alone OPEB Plan has no assets accumulated in a Trust that meets the criteria of GASB 75 paragraph four to pay related benefits.

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

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**GOVERNMENTAL FUNDS**

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**JUNE 30, 2019**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 3,769,882	\$ 1,272,547	\$ 5,042,429
Property taxes receivable		87,175	87,175
Deposits held by others	100,331		100,331
Accounts receivable	39,082		39,082
Due from governmental entities	2,106,769	11,550	2,118,319
Inventory	124,236		124,236
<b>Total assets</b>	<b><u>\$ 6,140,300</u></b>	<b><u>\$ 1,371,272</u></b>	<b><u>\$ 7,511,572</u></b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 63,415	\$	\$ 63,415
Construction contracts payable		357,217	357,217
Due to other funds	1,495,679		1,495,679
Accrued payroll and employee benefits	333,104		333,104
<b>Total liabilities</b>	<b><u>1,892,198</u></b>	<b><u>357,217</u></b>	<b><u>2,249,415</u></b>
Deferred inflows of resources:			
Unavailable revenues - property taxes		87,175	87,175
Unavailable revenues - intergovernmental	836,672		836,672
<b>Total deferred inflows of resources</b>	<b><u>836,672</u></b>	<b><u>87,175</u></b>	<b><u>923,847</u></b>
Fund balances (deficits):			
Nonspendable	124,236		124,236
Restricted	4,123,866	1,018,500	5,142,366
Unassigned	(836,672)	(91,620)	(928,292)
<b>Total fund balances</b>	<b><u>3,411,430</u></b>	<b><u>926,880</u></b>	<b><u>4,338,310</u></b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <b><u>\$ 6,140,300</u></b>	 <b><u>\$ 1,371,272</u></b>	 <b><u>\$ 7,511,572</u></b>

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**YEAR ENDED JUNE 30, 2019**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b>Revenues:</b>			
Other local	\$ 2,097,355	\$ 13,239	\$ 2,110,594
Property taxes		799,972	799,972
State aid and grants	7,051,984	1,345,218	8,397,202
Federal aid, grants and reimbursements	14,293,261		14,293,261
<b>Total revenues</b>	<u>23,442,600</u>	<u>2,158,429</u>	<u>25,601,029</u>
<b>Expenditures:</b>			
Current -			
Instruction	11,502,818		11,502,818
Support services - students and staff	3,044,175		3,044,175
Support services - administration	121,654		121,654
Operation and maintenance of plant services	766,033		766,033
Student transportation services	134,925		134,925
Operation of non-instructional services	7,063,114		7,063,114
Capital outlay	20,842	2,186,386	2,207,228
<b>Total expenditures</b>	<u>22,653,561</u>	<u>2,186,386</u>	<u>24,839,947</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>789,039</u>	<u>(27,957)</u>	<u>761,082</u>
<b>Other financing sources (uses):</b>			
Transfer out	(553,830)		(553,830)
<b>Total other financing sources (uses)</b>	<u>(553,830)</u>		<u>(553,830)</u>
<b>Changes in fund balances</b>	<u>235,209</u>	<u>(27,957)</u>	<u>207,252</u>
<b>Fund balances, beginning of year</b>	3,203,160	954,837	4,157,997
Increase (decrease) in reserve for inventory	(26,939)		(26,939)
<b>Fund balances, end of year</b>	<u>\$ 3,411,430</u>	<u>\$ 926,880</u>	<u>\$ 4,338,310</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.

**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.

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

**Indian Education** - to account for financial assistance received for Indian education at preschool, elementary, secondary and adult levels.

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

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

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

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

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

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

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

**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.

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

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

**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.

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

**Intergovernmental Agreements** - to account for the financial activities relating to agreements with other governments not required to be accounted for elsewhere.

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2019**

	Classroom Site	Instructional Improvement	Title I Grants
<b><u>ASSETS</u></b>			
Cash and investments	\$	\$ 206,568	\$ 59,977
Deposits held by others			
Accounts receivable			
Due from governmental entities	884,916	211,611	363,360
Inventory			
<b>Total assets</b>	<b>\$ 884,916</b>	<b>\$ 418,179</b>	<b>\$ 423,337</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$ 40,250
Due to other funds	684,974		286,209
Accrued payroll and employee benefits			96,878
<b>Total liabilities</b>	<b>684,974</b>		<b>423,337</b>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			363,360
Fund balances (deficits):			
Nonspendable			
Restricted	199,942	418,179	
Unassigned			(363,360)
<b>Total fund balances</b>	<b>199,942</b>	<b>418,179</b>	<b>(363,360)</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 884,916</b>	<b>\$ 418,179</b>	<b>\$ 423,337</b>

<u>Professional Development and Technology Grants</u>	<u>Limited English and Immigrant Students</u>	<u>Indian Education</u>	<u>Special Education Grants</u>	<u>Johnson O'Malley</u>	<u>E-Rate</u>
\$ 44,550	\$ 8,972	\$	\$ 8,385	\$	\$
298,158	40,135	38,285	75,887	11,177	37,333
<u>\$ 342,708</u>	<u>\$ 49,107</u>	<u>\$ 38,285</u>	<u>\$ 84,272</u>	<u>\$ 11,177</u>	<u>\$ 37,333</u>
\$ 7,446	\$	\$	\$	\$	\$
290,435	36,463	38,285	75,887	11,177	36,745
44,827	12,644		8,385		
<u>342,708</u>	<u>49,107</u>	<u>38,285</u>	<u>84,272</u>	<u>11,177</u>	<u>36,745</u>
<u>298,158</u>	<u>40,135</u>	<u>38,285</u>	<u>75,735</u>	<u>11,177</u>	
(298,158)	(40,135)	(38,285)	(75,735)	(11,177)	588
<u>(298,158)</u>	<u>(40,135)</u>	<u>(38,285)</u>	<u>(75,735)</u>	<u>(11,177)</u>	<u>588</u>
<u>\$ 342,708</u>	<u>\$ 49,107</u>	<u>\$ 38,285</u>	<u>\$ 84,272</u>	<u>\$ 11,177</u>	<u>\$ 37,333</u>

(Continued)

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2019**

	<u>Other Federal Projects</u>	<u>Gifted</u>	<u>Results-based Funding</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$	\$	\$ 86,633
Deposits held by others			
Accounts receivable			
Due from governmental entities	4,902	7,291	
Inventory			
<b>Total assets</b>	<u>\$ 4,902</u>	<u>\$ 7,291</u>	<u>\$ 86,633</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds	4,902	7,291	
Accrued payroll and employee benefits			
<b>Total liabilities</b>	<u>4,902</u>	<u>7,291</u>	
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>4,902</u>		
Fund balances (deficits):			
Nonspendable			
Restricted			86,633
Unassigned	(4,902)		
<b>Total fund balances</b>	<u>(4,902)</u>		<u>86,633</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 4,902</u>	<u>\$ 7,291</u>	<u>\$ 86,633</u>

<u>Failing Schools Tutoring Grant</u>	<u>Other State Projects</u>	<u>Food Service</u>	<u>Civic Center</u>	<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>
\$	\$	\$ 1,927,199	\$ 417,860	\$ 470,318	\$ 487,575
		100,331	39,082		
4,920	18,391	110,403			
		124,236			
<u>\$ 4,920</u>	<u>\$ 18,391</u>	<u>\$ 2,262,169</u>	<u>\$ 456,942</u>	<u>\$ 470,318</u>	<u>\$ 487,575</u>
\$	\$	\$ 15,719	\$	\$	\$
4,920	18,391	57,347		113,023	
<u>4,920</u>	<u>18,391</u>	<u>73,066</u>		<u>113,023</u>	
<u>4,920</u>					
		124,236			
(4,920)		2,064,867	456,942	357,295	487,575
<u>(4,920)</u>		<u>2,189,103</u>	<u>456,942</u>	<u>357,295</u>	<u>487,575</u>
<u>\$ 4,920</u>	<u>\$ 18,391</u>	<u>\$ 2,262,169</u>	<u>\$ 456,942</u>	<u>\$ 470,318</u>	<u>\$ 487,575</u>

(Continued)

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2019**

	Fingerprint	Textbooks	Totals
<b><u>ASSETS</u></b>			
Cash and investments	\$ 493	\$ 51,352	\$ 3,769,882
Deposits held by others			100,331
Accounts receivable			39,082
Due from governmental entities			2,106,769
Inventory			124,236
<b>Total assets</b>	<b>\$ 493</b>	<b>\$ 51,352</b>	<b>\$ 6,140,300</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES</u></b>			
<b><u>AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$ 63,415
Due to other funds			1,495,679
Accrued payroll and employee benefits			333,104
<b>Total liabilities</b>			<b>1,892,198</b>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			836,672
Fund balances (deficits):			
Nonspendable			124,236
Restricted	493	51,352	4,123,866
Unassigned			(836,672)
<b>Total fund balances</b>	<b>493</b>	<b>51,352</b>	<b>3,411,430</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 493</b>	<b>\$ 51,352</b>	<b>\$ 6,140,300</b>

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**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Classroom Site	Instructional Improvement	Title I Grants
<b>Revenues:</b>			
Other local	\$ 22,525	\$ 5,935	\$
State aid and grants	5,309,498	475,618	
Federal aid, grants and reimbursements			4,111,826
<b>Total revenues</b>	<b>5,332,023</b>	<b>481,553</b>	<b>4,111,826</b>
<b>Expenditures:</b>			
Current -			
Instruction	5,265,908	214,865	2,165,670
Support services - students and staff	234,111	348,542	1,336,503
Support services - administration			2,123
Operation and maintenance of plant services			
Student transportation services			32,822
Operation of non-instructional services			
Capital outlay			699
<b>Total expenditures</b>	<b>5,500,019</b>	<b>563,407</b>	<b>3,537,817</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(167,996)</b>	<b>(81,854)</b>	<b>574,009</b>
<b>Other financing sources (uses):</b>			
Transfer out			(157,880)
<b>Total other financing sources (uses)</b>	<b></b>	<b></b>	<b>(157,880)</b>
<b>Changes in fund balances</b>	<b>(167,996)</b>	<b>(81,854)</b>	<b>416,129</b>
<b>Fund balances (deficits), beginning of year</b>	<b>367,938</b>	<b>500,033</b>	<b>(779,489)</b>
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<b>\$ 199,942</b>	<b>\$ 418,179</b>	<b>\$ (363,360)</b>

<u>Professional Development and Technology Grants</u>	<u>Limited English and Immigrant Students</u>	<u>Indian Education</u>	<u>Special Education Grants</u>	<u>Johnson O'Malley</u>	<u>E-Rate</u>
\$	\$	\$	\$	\$	\$ 573
314,451	174,251	200,478	2,475,118	16,661	298,352
<u>314,451</u>	<u>174,251</u>	<u>200,478</u>	<u>2,475,118</u>	<u>16,661</u>	<u>298,925</u>
184,000	74,939	124,074	1,917,723	11,354	
343,488	130,266	97,603	364,987	760	
	150		18,823		
					301,728
				715	
<u>527,488</u>	<u>205,355</u>	<u>221,677</u>	<u>2,301,533</u>	<u>12,829</u>	<u>301,728</u>
<u>(213,037)</u>	<u>(31,104)</u>	<u>(21,199)</u>	<u>173,585</u>	<u>3,832</u>	<u>(2,803)</u>
<u>(23,388)</u>	<u>(4,113)</u>	<u>(4,434)</u>	<u>(102,648)</u>	<u>(256)</u>	
<u>(23,388)</u>	<u>(4,113)</u>	<u>(4,434)</u>	<u>(102,648)</u>	<u>(256)</u>	
<u>(236,425)</u>	<u>(35,217)</u>	<u>(25,633)</u>	<u>70,937</u>	<u>3,576</u>	<u>(2,803)</u>
(61,733)	(4,918)	(12,652)	(146,672)	(14,753)	3,391
<u>\$ (298,158)</u>	<u>\$ (40,135)</u>	<u>\$ (38,285)</u>	<u>\$ (75,735)</u>	<u>\$ (11,177)</u>	<u>\$ 588</u>

(Continued)

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	<u>Other Federal Projects</u>	<u>Gifted</u>	<u>Results-based Funding</u>
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants		13,074	310,623
Federal aid, grants and reimbursements	<u>189,293</u>		
<b>Total revenues</b>	<u>189,293</u>	<u>13,074</u>	<u>310,623</u>
<b>Expenditures:</b>			
Current -			
Instruction	183,962	1,643	302,434
Support services - students and staff	540	11,143	24,663
Support services - administration			
Operation and maintenance of plant services			
Student transportation services		288	
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>184,502</u>	<u>13,074</u>	<u>327,097</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>4,791</u>		<u>(16,474)</u>
<b>Other financing sources (uses):</b>			
Transfer out	<u>(7,239)</u>		
<b>Total other financing sources (uses)</b>	<u>(7,239)</u>		
<b>Changes in fund balances</b>	<u>(2,448)</u>		<u>(16,474)</u>
<b>Fund balances (deficits), beginning of year</b>	(2,454)		103,107
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (4,902)</u>	<u>\$</u>	<u>\$ 86,633</u>

<u>Failing Schools Tutoring Grant</u>	<u>Other State Projects</u>	<u>Food Service</u>	<u>Civic Center</u>	<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>
\$	\$	\$	\$	\$	\$
	943,171	895,964	179,536	618,676	367,109
		6,512,831			
	<u>943,171</u>	<u>7,408,795</u>	<u>179,536</u>	<u>618,676</u>	<u>367,109</u>
4,920	291,810		2,785	481,495	275,236
	40,914		8,194	97,880	723
			7,011	87,266	4,785
	316,904		145,929	1,472	
					101,100
	203,669	6,827,429	269	31,747	
	5,136	15,007			
<u>4,920</u>	<u>858,433</u>	<u>6,842,436</u>	<u>164,188</u>	<u>699,860</u>	<u>381,844</u>
<u>(4,920)</u>	<u>84,738</u>	<u>566,359</u>	<u>15,348</u>	<u>(81,184)</u>	<u>(14,735)</u>
	<u>(8,872)</u>	<u>(245,000)</u>			
	<u>(8,872)</u>	<u>(245,000)</u>			
<u>(4,920)</u>	<u>75,866</u>	<u>321,359</u>	<u>15,348</u>	<u>(81,184)</u>	<u>(14,735)</u>
	(75,866)	1,894,683	441,594	438,479	502,310
		(26,939)			
<u>\$ (4,920)</u>	<u>\$</u>	<u>\$ 2,189,103</u>	<u>\$ 456,942</u>	<u>\$ 357,295</u>	<u>\$ 487,575</u>

(Continued)

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Fingerprint	Textbooks	Totals
<b>Revenues:</b>			
Other local	\$ 1,401	\$ 5,636	\$ 2,097,355
State aid and grants			7,051,984
Federal aid, grants and reimbursements			14,293,261
<b>Total revenues</b>	1,401	5,636	23,442,600
<b>Expenditures:</b>			
Current -			
Instruction			11,502,818
Support services - students and staff		3,858	3,044,175
Support services - administration	1,496		121,654
Operation and maintenance of plant services			766,033
Student transportation services			134,925
Operation of non-instructional services			7,063,114
Capital outlay			20,842
<b>Total expenditures</b>	1,496	3,858	22,653,561
<b>Excess (deficiency) of revenues over expenditures</b>	(95)	1,778	789,039
<b>Other financing sources (uses):</b>			
Transfer out			(553,830)
<b>Total other financing sources (uses)</b>			(553,830)
<b>Changes in fund balances</b>	(95)	1,778	235,209
<b>Fund balances (deficits), beginning of year</b>	588	49,574	3,203,160
Increase (decrease) in reserve for inventory			(26,939)
<b>Fund balances, end of year</b>	\$ 493	\$ 51,352	\$ 3,411,430

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**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 22,525	\$ 22,525
State aid and grants		5,309,498	5,309,498
Federal aid, grants and reimbursements			
<b>Total revenues</b>	5,681,923	5,332,023	5,332,023
<b>Expenditures:</b>			
Current -			
Instruction	5,413,345	5,265,908	147,437
Support services - students and staff	268,578	234,111	34,467
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	5,681,923	5,500,019	181,904
<b>Excess (deficiency) of revenues over expenditures</b>	(5,681,923)	(167,996)	5,513,927
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(5,681,923)	(167,996)	5,513,927
<b>Fund balances (deficits), beginning of year</b>		367,938	367,938
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (5,681,923)	\$ 199,942	\$ 5,881,865

Instructional Improvement			Title I Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 5,935 475,618	\$ 5,935 475,618	\$	\$	\$
	<u>481,553</u>	<u>481,553</u>		<u>4,111,826</u> <u>4,111,826</u>	<u>4,111,826</u> <u>4,111,826</u>
250,000	214,865	35,135	2,500,000	2,165,670	334,330
350,000	348,542	1,458	1,600,000	1,336,503	263,497
				2,123	(2,123)
				32,822	(32,822)
				699	(699)
<u>600,000</u>	<u>563,407</u>	<u>36,593</u>	<u>4,100,000</u>	<u>3,537,817</u>	<u>562,183</u>
<u>(600,000)</u>	<u>(81,854)</u>	<u>518,146</u>	<u>(4,100,000)</u>	<u>574,009</u>	<u>4,674,009</u>
				<u>(157,880)</u>	<u>(157,880)</u>
				<u>(157,880)</u>	<u>(157,880)</u>
<u>(600,000)</u>	<u>(81,854)</u>	<u>518,146</u>	<u>(4,100,000)</u>	<u>416,129</u>	<u>4,516,129</u>
	500,033	500,033		(779,489)	(779,489)
<u>\$ (600,000)</u>	<u>\$ 418,179</u>	<u>\$ 1,018,179</u>	<u>\$ (4,100,000)</u>	<u>\$ (363,360)</u>	<u>\$ 3,736,640</u>

(Continued)



**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Professional Development and Technology Grants		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		314,451	314,451
<b>Total revenues</b>		314,451	314,451
<b>Expenditures:</b>			
Current -			
Instruction	200,000	184,000	16,000
Support services - students and staff	550,000	343,488	206,512
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	750,000	527,488	222,512
<b>Excess (deficiency) of revenues over expenditures</b>	(750,000)	(213,037)	536,963
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out		(23,388)	(23,388)
<b>Total other financing sources (uses)</b>		(23,388)	(23,388)
<b>Changes in fund balances</b>	(750,000)	(236,425)	513,575
<b>Fund balances (deficits), beginning of year</b>		(61,733)	(61,733)
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (750,000)	\$ (298,158)	\$ 451,842

Limited English and Immigrant Students			Indian Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	174,251	174,251		200,478	200,478
	174,251	174,251		200,478	200,478
80,000	74,939	5,061	160,000	124,074	35,926
250,000	130,266	119,734	100,000	97,603	2,397
	150	(150)			
<u>330,000</u>	<u>205,355</u>	<u>124,645</u>	<u>260,000</u>	<u>221,677</u>	<u>38,323</u>
<u>(330,000)</u>	<u>(31,104)</u>	<u>298,896</u>	<u>(260,000)</u>	<u>(21,199)</u>	<u>238,801</u>
	(4,113)	(4,113)		(4,434)	(4,434)
	(4,113)	(4,113)		(4,434)	(4,434)
<u>(330,000)</u>	<u>(35,217)</u>	<u>294,783</u>	<u>(260,000)</u>	<u>(25,633)</u>	<u>234,367</u>
	(4,918)	(4,918)		(12,652)	(12,652)
<u>\$ (330,000)</u>	<u>\$ (40,135)</u>	<u>\$ 289,865</u>	<u>\$ (260,000)</u>	<u>\$ (38,285)</u>	<u>\$ 221,715</u>

(Continued)

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Special Education Grants		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		2,475,118	2,475,118
<b>Total revenues</b>		2,475,118	2,475,118
<b>Expenditures:</b>			
Current -			
Instruction	2,500,000	1,917,723	582,277
Support services - students and staff	400,000	364,987	35,013
Support services - administration		18,823	(18,823)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	2,900,000	2,301,533	598,467
<b>Excess (deficiency) of revenues over expenditures</b>	(2,900,000)	173,585	3,073,585
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out		(102,648)	(102,648)
<b>Total other financing sources (uses)</b>		(102,648)	(102,648)
<b>Changes in fund balances</b>	(2,900,000)	70,937	2,970,937
<b>Fund balances (deficits), beginning of year</b>		(146,672)	(146,672)
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (2,900,000)	\$ (75,735)	\$ 2,824,265

Johnson O'Malley			Medicaid Reimbursement		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 1,393	\$ 1,393
	16,661	16,661		1,289,533	1,289,533
	16,661	16,661		1,290,926	1,290,926
20,000	11,354	8,646	600,000	535,100	64,900
	760	(760)	300,000	242,161	57,839
				78,880	(78,880)
	715	(715)		10,008	(10,008)
				14,630	(14,630)
20,000	12,829	7,171	900,000	880,779	19,221
(20,000)	3,832	23,832	(900,000)	410,147	1,310,147
	(256)	(256)			
	(256)	(256)			
(20,000)	3,576	23,576	(900,000)	410,147	1,310,147
	(14,753)	(14,753)		(303,277)	(303,277)
\$ (20,000)	\$ (11,177)	\$ 8,823	\$ (900,000)	\$ 106,870	\$ 1,006,870

(Continued)

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	E-Rate		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 573	\$ 573
State aid and grants			
Federal aid, grants and reimbursements		298,352	298,352
<b>Total revenues</b>		<u>298,925</u>	<u>298,925</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services	420,000	301,728	118,272
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>420,000</u>	<u>301,728</u>	<u>118,272</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(420,000)</u>	<u>(2,803)</u>	<u>417,197</u>
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(420,000)</u>	<u>(2,803)</u>	<u>417,197</u>
<b>Fund balances (deficits), beginning of year</b>		3,391	3,391
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (420,000)</u>	<u>\$ 588</u>	<u>\$ 420,588</u>

Other Federal Projects			Gifted		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	189,293	189,293		13,074	13,074
	189,293	189,293		13,074	13,074
200,000	183,962	16,038		1,643	(1,643)
	540	(540)	20,000	11,143	8,857
				288	(288)
200,000	184,502	15,498	20,000	13,074	6,926
(200,000)	4,791	204,791	(20,000)		20,000
	(7,239)	(7,239)			
	(7,239)	(7,239)			
(200,000)	(2,448)	197,552	(20,000)		20,000
	(2,454)	(2,454)			
\$ (200,000)	\$ (4,902)	\$ 195,098	\$ (20,000)	\$	\$ 20,000

(Continued)

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Results-based Funding		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants		310,623	310,623
Federal aid, grants and reimbursements			
<b>Total revenues</b>	420,000	310,623	310,623
<b>Expenditures:</b>			
Current -			
Instruction	395,000	302,434	92,566
Support services - students and staff	25,000	24,663	337
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	420,000	327,097	92,903
<b>Excess (deficiency) of revenues over expenditures</b>	(420,000)	(16,474)	403,526
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(420,000)	(16,474)	403,526
<b>Fund balances (deficits), beginning of year</b>		103,107	103,107
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (420,000)	\$ 86,633	\$ 506,633

Failing Schools Tutoring Grant			Other State Projects		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
				943,171	943,171
				943,171	943,171
6,000	4,920	1,080	1,314,000	291,810	1,022,190
			45,000	40,914	4,086
			330,000	316,904	13,096
			205,000	203,669	1,331
				5,136	(5,136)
<u>6,000</u>	<u>4,920</u>	<u>1,080</u>	<u>1,894,000</u>	<u>858,433</u>	<u>1,035,567</u>
<u>(6,000)</u>	<u>(4,920)</u>	<u>1,080</u>	<u>(1,894,000)</u>	<u>84,738</u>	<u>1,978,738</u>
				(8,872)	(8,872)
				(8,872)	(8,872)
<u>(6,000)</u>	<u>(4,920)</u>	<u>1,080</u>	<u>(1,894,000)</u>	<u>75,866</u>	<u>1,969,866</u>
				(75,866)	(75,866)
<u>\$ (6,000)</u>	<u>\$ (4,920)</u>	<u>\$ 1,080</u>	<u>\$ (1,894,000)</u>	<u>\$</u>	<u>\$ 1,894,000</u>

(Continued)



**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	School Plant		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
<b>Revenues:</b>			
Other local	\$	\$ 479,266	\$ 479,266
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		479,266	479,266
<b>Expenditures:</b>			
Current -			
Instruction	441,106	94,032	347,074
Support services - students and staff	121,894	111,258	10,636
Support services - administration	77,000	72,555	4,445
Operation and maintenance of plant services	5,000	4,415	585
Student transportation services		16,280	(16,280)
Operation of non-instructional services	55,000	53,730	1,270
Capital outlay		11,658	(11,658)
<b>Total expenditures</b>	700,000	363,928	336,072
<b>Excess (deficiency) of revenues over expenditures</b>	(700,000)	115,338	815,338
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(700,000)	115,338	815,338
<b>Fund balances (deficits), beginning of year</b>		876,234	876,234
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (700,000)	\$ 991,572	\$ 1,691,572

Food Service			Civic Center		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 895,964	\$ 895,964	\$	\$ 179,536	\$ 179,536
	6,512,831	6,512,831		179,536	179,536
	<u>7,408,795</u>	<u>7,408,795</u>			
				2,785	(2,785)
				8,194	(8,194)
				7,011	(7,011)
			200,000	145,929	54,071
6,500,000	6,827,429	(327,429)		269	(269)
	15,007	(15,007)			
<u>6,500,000</u>	<u>6,842,436</u>	<u>(342,436)</u>	<u>200,000</u>	<u>164,188</u>	<u>35,812</u>
<u>(6,500,000)</u>	<u>566,359</u>	<u>7,066,359</u>	<u>(200,000)</u>	<u>15,348</u>	<u>215,348</u>
	(245,000)	(245,000)			
	<u>(245,000)</u>	<u>(245,000)</u>			
<u>(6,500,000)</u>	<u>321,359</u>	<u>6,821,359</u>	<u>(200,000)</u>	<u>15,348</u>	<u>215,348</u>
	1,894,683	1,894,683		441,594	441,594
	(26,939)	(26,939)			
<u>\$ (6,500,000)</u>	<u>\$ 2,189,103</u>	<u>\$ 8,689,103</u>	<u>\$ (200,000)</u>	<u>\$ 456,942</u>	<u>\$ 656,942</u>

(Continued)

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Community School		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 618,676	\$ 618,676
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>	700,000	618,676	618,676
<b>Expenditures:</b>			
Current -			
Instruction	500,000	481,495	18,505
Support services - students and staff	100,000	97,880	2,120
Support services - administration	100,000	87,266	12,734
Operation and maintenance of plant services		1,472	(1,472)
Student transportation services			
Operation of non-instructional services		31,747	(31,747)
Capital outlay			
<b>Total expenditures</b>	700,000	699,860	140
<b>Excess (deficiency) of revenues over expenditures</b>	(700,000)	(81,184)	618,816
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(700,000)	(81,184)	618,816
<b>Fund balances (deficits), beginning of year</b>		438,479	438,479
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (700,000)	\$ 357,295	\$ 1,057,295

Extracurricular Activities Fees Tax Credit			Gifts and Donations		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 367,109	\$ 367,109	\$	\$ 197,727	\$ 197,727
	<u>367,109</u>	<u>367,109</u>		<u>197,727</u>	<u>197,727</u>
300,000	275,236	24,764	250,000	88,621	161,379
	723	(723)	200,000	72,296	127,704
	4,785	(4,785)		1,113	(1,113)
200,000	101,100	98,900		1,493	(1,493)
				13,078	(13,078)
				32,641	(32,641)
<u>500,000</u>	<u>381,844</u>	<u>118,156</u>	<u>450,000</u>	<u>209,242</u>	<u>240,758</u>
<u>(500,000)</u>	<u>(14,735)</u>	<u>485,265</u>	<u>(450,000)</u>	<u>(11,515)</u>	<u>438,485</u>
<u>(500,000)</u>	<u>(14,735)</u>	<u>485,265</u>	<u>(450,000)</u>	<u>(11,515)</u>	<u>438,485</u>
	502,310	502,310		433,842	433,842
<u>\$ (500,000)</u>	<u>\$ 487,575</u>	<u>\$ 987,575</u>	<u>\$ (450,000)</u>	<u>\$ 422,327</u>	<u>\$ 872,327</u>

(Continued)

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Fingerprint		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 1,401	\$ 1,401
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>	3,000	1,401	1,401
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration	3,000	1,496	1,504
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	3,000	1,496	1,504
<b>Excess (deficiency) of revenues over expenditures</b>	(3,000)	(95)	2,905
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(3,000)	(95)	2,905
<b>Fund balances (deficits), beginning of year</b>		588	588
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (3,000)	\$ 493	\$ 3,493

Insurance Proceeds			Textbooks		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 9,927	\$ 9,927	\$	\$ 5,636	\$ 5,636
	<u>9,927</u>	<u>9,927</u>		<u>5,636</u>	<u>5,636</u>
	278	(278)			
20,000	19,000	1,000	7,500	3,858	3,642
<u>20,000</u>	<u>19,278</u>	<u>722</u>	<u>7,500</u>	<u>3,858</u>	<u>3,642</u>
<u>(20,000)</u>	<u>(9,351)</u>	<u>10,649</u>	<u>(7,500)</u>	<u>1,778</u>	<u>9,278</u>
<u>(20,000)</u>	<u>(9,351)</u>	<u>10,649</u>	<u>(7,500)</u>	<u>1,778</u>	<u>9,278</u>
	65,400	65,400		49,574	49,574
<u>\$ (20,000)</u>	<u>\$ 56,049</u>	<u>\$ 76,049</u>	<u>\$ (7,500)</u>	<u>\$ 51,352</u>	<u>\$ 58,852</u>

(Continued)

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Litigation Recovery		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 14,218	\$ 14,218
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		14,218	14,218
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration	30,000	30,000	
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	30,000	30,000	
<b>Excess (deficiency) of revenues over expenditures</b>	(30,000)	(15,782)	14,218
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(30,000)	(15,782)	14,218
<b>Fund balances (deficits), beginning of year</b>		37,708	37,708
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (30,000)	\$ 21,926	\$ 51,926

Indirect Costs			Advertisement		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 3,793	\$ 3,793	\$	\$ 528	\$ 528
	<u>3,793</u>	<u>3,793</u>		<u>528</u>	<u>528</u>
600,000	543,749	56,251			
<u>600,000</u>	<u>543,749</u>	<u>56,251</u>			
<u>(600,000)</u>	<u>(539,956)</u>	<u>60,044</u>		<u>528</u>	<u>528</u>
	553,830	553,830			
	<u>553,830</u>	<u>553,830</u>			
<u>(600,000)</u>	<u>13,874</u>	<u>613,874</u>		<u>528</u>	<u>528</u>
	337,128	337,128		20,920	20,920
<u>\$ (600,000)</u>	<u>\$ 351,002</u>	<u>\$ 951,002</u>	<u>\$</u>	<u>\$ 21,448</u>	<u>\$ 21,448</u>

(Continued)



**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Intergovernmental Agreements		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 2,336,125	\$ 2,336,125
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		2,336,125	2,336,125
<b>Expenditures:</b>			
Current -			
Instruction	2,289,700	2,102,840	186,860
Support services - students and staff	124,500	122,291	2,209
Support services - administration	13,300	13,093	207
Operation and maintenance of plant services	64,000	63,326	674
Student transportation services			
Operation of non-instructional services	7,000	6,797	203
Capital outlay	1,500	1,375	125
<b>Total expenditures</b>	2,500,000	2,309,722	190,278
<b>Excess (deficiency) of revenues over expenditures</b>	(2,500,000)	26,403	2,526,403
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(2,500,000)	26,403	2,526,403
<b>Fund balances (deficits), beginning of year</b>		35,804	35,804
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (2,500,000)	\$ 62,207	\$ 2,562,207

Totals		
Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 5,140,332	\$ 5,140,332
	7,051,984	7,051,984
	15,582,794	15,582,794
	<u>27,775,110</u>	<u>27,775,110</u>
17,419,151	14,323,689	3,095,462
4,462,472	3,592,181	870,291
823,300	861,044	(37,744)
1,039,000	854,267	184,733
200,000	174,291	25,709
6,767,000	7,138,271	(371,271)
1,500	66,516	(65,016)
<u>30,712,423</u>	<u>27,010,259</u>	<u>3,702,164</u>
<u>(30,712,423)</u>	<u>764,851</u>	<u>31,477,274</u>
	553,830	553,830
	<u>(553,830)</u>	<u>(553,830)</u>
<u>(30,712,423)</u>	<u>764,851</u>	<u>31,477,274</u>
	4,706,919	4,706,919
	(26,939)	(26,939)
<u>\$ (30,712,423)</u>	<u>\$ 5,444,831</u>	<u>\$ 36,157,254</u>

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## **DEBT SERVICE FUND**

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL DEBT SERVICE FUND**  
**YEAR ENDED JUNE 30, 2019**

	Debt Service		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 55,750	\$ 55,750
Property taxes		17,971,380	17,971,380
Federal aid, grants and reimbursements		300,788	300,788
<b>Total revenues</b>		<u>18,327,918</u>	<u>18,327,918</u>
<b>Expenditures:</b>			
Debt service -			
Principal retirement	13,640,000	13,640,000	
Interest and fiscal charges	8,360,000	6,032,822	2,327,178
<b>Total expenditures</b>	<u>22,000,000</u>	<u>19,672,822</u>	<u>2,327,178</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(22,000,000)</u>	<u>(1,344,904)</u>	<u>20,655,096</u>
<b>Other financing sources (uses):</b>			
Transfer in		3,460,496	3,460,496
<b>Total other financing sources (uses)</b>		<u>3,460,496</u>	<u>3,460,496</u>
<b>Changes in fund balances</b>	<u>(22,000,000)</u>	<u>2,115,592</u>	<u>24,115,592</u>
<b>Fund balances, beginning of year</b>		1,611,739	1,611,739
<b>Fund balances (deficits), end of year</b>	<u>\$ (22,000,000)</u>	<u>\$ 3,727,331</u>	<u>\$ 25,727,331</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.

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

**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.

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS**  
**JUNE 30, 2019**

	<u>Adjacent Ways</u>	<u>Building Renewal Grant</u>	<u>Totals</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 1,271,724	\$ 823	\$ 1,272,547
Property taxes receivable	87,175		87,175
Due from governmental entities		11,550	11,550
<b>Total assets</b>	<b>\$ 1,358,899</b>	<b>\$ 12,373</b>	<b>\$ 1,371,272</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 253,224	\$ 103,993	\$ 357,217
<b>Total liabilities</b>	<b>253,224</b>	<b>103,993</b>	<b>357,217</b>
Deferred inflows of resources:			
Unavailable revenues - property taxes	87,175		87,175
Fund balances (deficits):			
Restricted	1,018,500		1,018,500
Unassigned		(91,620)	(91,620)
<b>Total fund balances</b>	<b>1,018,500</b>	<b>(91,620)</b>	<b>926,880</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 1,358,899</b>	<b>\$ 12,373</b>	<b>\$ 1,371,272</b>

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	<u>Adjacent Ways</u>	<u>Building Renewal Grant</u>	<u>Totals</u>
<b>Revenues:</b>			
Other local	\$ 13,239	\$	\$ 13,239
Property taxes	799,972		799,972
State aid and grants		1,345,218	1,345,218
<b>Total revenues</b>	<u>813,211</u>	<u>1,345,218</u>	<u>2,158,429</u>
<b>Expenditures:</b>			
Capital outlay	<u>761,500</u>	<u>1,424,886</u>	<u>2,186,386</u>
<b>Total expenditures</b>	<u>761,500</u>	<u>1,424,886</u>	<u>2,186,386</u>
<b>Changes in fund balances</b>	<u>51,711</u>	<u>(79,668)</u>	<u>(27,957)</u>
<b>Fund balances (deficits), beginning of year</b>	966,789	(11,952)	954,837
<b>Fund balances (deficits), end of year</b>	<u>\$ 1,018,500</u>	<u>\$ (91,620)</u>	<u>\$ 926,880</u>



**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Unrestricted Capital Outlay		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 408,550	\$ 408,550
Property taxes		5,029,620	5,029,620
State aid and grants		462,478	462,478
<b>Total revenues</b>		5,900,648	5,900,648
<b>Expenditures:</b>			
Capital outlay	17,442,676	7,049,988	10,392,688
Debt service - Bond issuance costs			
<b>Total expenditures</b>	17,442,676	7,049,988	10,392,688
<b>Excess (deficiency) of revenues over expenditures</b>	(17,442,676)	(1,149,340)	16,293,336
<b>Other financing sources (uses):</b>			
Transfer out			
Issuance of school improvement bonds			
Premium on sale of bonds			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(17,442,676)	(1,149,340)	16,293,336
<b>Fund balances (deficits), beginning of year</b>		11,427,268	11,427,268
<b>Fund balances (deficits), end of year</b>	\$ (17,442,676)	\$ 10,277,928	\$ 27,720,604

Adjacent Ways			Bond Building		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 13,239 799,972	\$ 13,239 799,972	\$	\$ 1,260,341	\$ 1,260,341
	<u>813,211</u>	<u>813,211</u>		<u>1,260,341</u>	<u>1,260,341</u>
1,766,789	761,500	1,005,289	104,038,915	35,382,242	68,656,673
<u>1,766,789</u>	<u>761,500</u>	<u>1,005,289</u>	<u>104,038,915</u>	<u>393,981</u> <u>35,776,223</u>	<u>(393,981)</u> <u>68,262,692</u>
<u>(1,766,789)</u>	<u>51,711</u>	<u>1,818,500</u>	<u>(104,038,915)</u>	<u>(34,515,882)</u>	<u>69,523,033</u>
				(3,460,496)	(3,460,496)
				47,980,000	47,980,000
				9,574,285	9,574,285
				<u>54,093,789</u>	<u>54,093,789</u>
<u>(1,766,789)</u>	<u>51,711</u>	<u>1,818,500</u>	<u>(104,038,915)</u>	<u>19,577,907</u>	<u>123,616,822</u>
	966,789	966,789		48,475,339	48,475,339
<u>\$ (1,766,789)</u>	<u>\$ 1,018,500</u>	<u>\$ 2,785,289</u>	<u>\$ (104,038,915)</u>	<u>\$ 68,053,246</u>	<u>\$ 172,092,161</u>

(Continued)

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Building Renewal Grant		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
Property taxes			
State aid and grants		1,345,218	1,345,218
<b>Total revenues</b>		1,345,218	1,345,218
<b>Expenditures:</b>			
Capital outlay	2,000,000	1,424,886	575,114
Debt service - Bond issuance costs			
<b>Total expenditures</b>	2,000,000	1,424,886	575,114
<b>Excess (deficiency) of revenues over expenditures</b>	(2,000,000)	(79,668)	1,920,332
<b>Other financing sources (uses):</b>			
Transfer out			
Issuance of school improvement bonds			
Premium on sale of bonds			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(2,000,000)	(79,668)	1,920,332
<b>Fund balances (deficits), beginning of year</b>		(11,952)	(11,952)
<b>Fund balances (deficits), end of year</b>	\$ (2,000,000)	\$ (91,620)	\$ 1,908,380

Totals

Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,682,130	\$ 1,682,130
	5,829,592	5,829,592
	1,807,696	1,807,696
	<u>9,319,418</u>	<u>9,319,418</u>
125,248,380	44,618,616	80,629,764
	393,981	(393,981)
<u>125,248,380</u>	<u>45,012,597</u>	<u>80,235,783</u>
<u>(125,248,380)</u>	<u>(35,693,179)</u>	<u>89,555,201</u>
	(3,460,496)	(3,460,496)
	47,980,000	47,980,000
	9,574,285	9,574,285
	<u>54,093,789</u>	<u>54,093,789</u>
<u>(125,248,380)</u>	<u>18,400,610</u>	<u>143,648,990</u>
	60,857,444	60,857,444
<u>\$ (125,248,380)</u>	<u>\$ 79,258,054</u>	<u>\$ 204,506,434</u>

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## **INTERNAL SERVICE FUNDS**

**Transportation Services** - to account for charges to other departments for transportation services.

**Insurance Benefit** - to account for the financial activity associated with the District's self-insurance program and other insurance related withholdings.

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING STATEMENT OF NET POSITION -**  
**ALL INTERNAL SERVICE FUNDS**  
**JUNE 30, 2019**

	Transportation Services	Insurance Benefit	Totals
<b><u>ASSETS</u></b>			
Current assets:			
Cash and investments	\$ 255,702	\$ 8,706,937	\$ 8,962,639
Accounts receivable	22,296	98,180	120,476
Total current assets	277,998	8,805,117	9,083,115
<b>Total assets</b>	277,998	8,805,117	9,083,115
<b><u>LIABILITIES</u></b>			
Current liabilities:			
Claims payable		1,485,242	1,485,242
Total current liabilities		1,485,242	1,485,242
<b>Total liabilities</b>		1,485,242	1,485,242
<b><u>NET POSITION</u></b>			
Unrestricted	277,998	7,319,875	7,597,873
<b>Total net position</b>	\$ 277,998	\$ 7,319,875	\$ 7,597,873

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -**  
**ALL INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Transportation Services</u>	<u>Insurance Benefit</u>	<u>Totals</u>
<b>Operating revenues:</b>			
Contributions	\$	\$ 13,163,782	\$ 13,163,782
Charges for services	220,621		220,621
<b>Total operating revenues</b>	<u>220,621</u>	<u>13,163,782</u>	<u>13,384,403</u>
<b>Operating expenses:</b>			
Claims		8,054,069	8,054,069
Premiums		1,239,693	1,239,693
Administrative fees		1,718,787	1,718,787
Cost of services	203,114		203,114
<b>Total operating expenses</b>	<u>203,114</u>	<u>11,012,549</u>	<u>11,215,663</u>
<b>Operating income (loss)</b>	<u>17,507</u>	<u>2,151,233</u>	<u>2,168,740</u>
<b>Nonoperating revenues (expenses):</b>			
Investment income	3,841	121,044	124,885
<b>Total nonoperating revenues (expenses)</b>	<u>3,841</u>	<u>121,044</u>	<u>124,885</u>
<b>Changes in net position</b>	<u>21,348</u>	<u>2,272,277</u>	<u>2,293,625</u>
<b>Total net position, beginning of year</b>	256,650	5,047,598	5,304,248
<b>Total net position, end of year</b>	<u>\$ 277,998</u>	<u>\$ 7,319,875</u>	<u>\$ 7,597,873</u>



**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**COMBINING STATEMENT OF CASH FLOWS - ALL INTERNAL SERVICE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	<b>Transportation Services</b>	<b>Insurance Benefit</b>	<b>Totals</b>
<b><u>Increase/Decrease in Cash and Cash Equivalents</u></b>			
<b>Cash flows from operating activities:</b>			
Cash received from contributions	\$ 198,325	\$ 13,275,536	\$ 13,275,536
Cash received from other sources	198,325		198,325
Cash payments to suppliers for goods and services	(227,743)	(2,970,613)	(3,198,356)
Cash payments for claims		(7,241,877)	(7,241,877)
	(29,418)	3,063,046	3,033,628
<b>Net cash provided by/used for operating activities</b>			
<b>Cash flows from investing activities:</b>			
Investment income	3,841	121,044	124,885
	3,841	121,044	124,885
<b>Net cash provided by/used for investing activities</b>			
<b>Net increase/decrease in cash and cash equivalents</b>	<b>(25,577)</b>	<b>3,184,090</b>	<b>3,158,513</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>281,279</b>	<b>5,522,847</b>	<b>5,804,126</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 255,702</b>	<b>\$ 8,706,937</b>	<b>\$ 8,962,639</b>
 <b><u>Reconciliation of Operating Income/Loss to Net Cash Provided by/Used for Operating Activities</u></b>			
<b>Operating income/loss</b>	\$ 17,507	\$ 2,151,233	\$ 2,168,740
Adjustments to reconcile operating income/loss to net cash provided by/used for operating activities:			
Changes in assets and liabilities:			
Increase/decrease in accounts receivable	(22,296)	111,754	89,458
Increase/decrease in accounts payable		(12,133)	(12,133)
Increase/decrease in claims payable		812,192	812,192
Increase/decrease in accrued payroll	(24,629)		(24,629)
	(46,925)	911,813	864,888
<b>Total adjustments</b>			
<b>Net cash provided by/used for operating activities</b>	<b>\$ (29,418)</b>	<b>\$ 3,063,046</b>	<b>\$ 3,033,628</b>

## **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 Insurance Clearing** - to account for voluntary deductions and employee payroll checks temporarily held by the District as an agent.

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
 COMBINING STATEMENT OF ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 JUNE 30, 2019**

	<u>Student Activities</u>	<u>Employee Insurance Clearing</u>	<u>Totals</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 80,287	\$ 10,010	\$ 90,297
<b>Total assets</b>	<u>\$ 80,287</u>	<u>\$ 10,010</u>	<u>\$ 90,297</u>
<b><u>LIABILITIES</u></b>			
Deposits held for others	\$	\$ 10,010	\$ 10,010
Due to student groups	80,287		80,287
<b>Total liabilities</b>	<u>\$ 80,287</u>	<u>\$ 10,010</u>	<u>\$ 90,297</u>

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUND  
YEAR ENDED JUNE 30, 2019**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b><u>STUDENT ACTIVITIES FUND</u></b>				
<u>Assets</u>				
Cash and investments	\$ 71,640	\$ 181,716	\$ 173,069	\$ 80,287
Total assets	<u>\$ 71,640</u>	<u>\$ 181,716</u>	<u>\$ 173,069</u>	<u>\$ 80,287</u>
<u>Liabilities</u>				
Due to student groups	\$ 71,640	\$ 181,716	\$ 173,069	\$ 80,287
Total liabilities	<u>\$ 71,640</u>	<u>\$ 181,716</u>	<u>\$ 173,069</u>	<u>\$ 80,287</u>
 <b><u>EMPLOYEE INSURANCE CLEARING</u></b>				
<u>Assets</u>				
Cash and investments	\$ 28,590	\$ 155,872	\$ 174,452	\$ 10,010
Total assets	<u>\$ 28,590</u>	<u>\$ 155,872</u>	<u>\$ 174,452</u>	<u>\$ 10,010</u>
<u>Liabilities</u>				
Deposits held for others	\$ 28,590	\$ 155,872	\$ 174,452	\$ 10,010
Total liabilities	<u>\$ 28,590</u>	<u>\$ 155,872</u>	<u>\$ 174,452</u>	<u>\$ 10,010</u>
 <b><u>TOTAL AGENCY FUNDS</u></b>				
<u>Assets</u>				
Cash and investments	\$ 100,230	\$ 337,588	\$ 347,521	\$ 90,297
Total assets	<u>\$ 100,230</u>	<u>\$ 337,588</u>	<u>\$ 347,521</u>	<u>\$ 90,297</u>
<u>Liabilities</u>				
Deposits held for others	\$ 28,590	\$ 155,872	\$ 174,452	\$ 10,010
Due to student groups	71,640	181,716	173,069	80,287
Total liabilities	<u>\$ 100,230</u>	<u>\$ 337,588</u>	<u>\$ 347,521</u>	<u>\$ 90,297</u>

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## STATISTICAL SECTION

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

### **Financial Trends**

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

### **Revenue Capacity**

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

### **Debt Capacity**

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

### **Demographic and Economic Information**

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

### **Operating Information**

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

For locally assessed property (i.e., excluding mines, utilities, etc.) Proposition 117, approved by voters in 2012, amended the Arizona Constitution to require that all property taxes after fiscal year 2014-15 be based upon property values limited to 5 percent in annual growth. The aggregate assessed value of all taxable properties within a taxing jurisdiction (i.e., after applying assessment ratios based on the use of a property), including property values with a growth limit, is currently referred to as net limited assessed value and formerly as primary assessed value. In accordance with Proposition 117, this value is used for all taxing purposes beginning fiscal year 2015-16. Aggregate assessed value without a growth limit is currently referred to as net full cash assessed value and formerly as secondary assessed value. This remains the value utilized for determining debt capacity limits.

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**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
<b>Net Position:</b>					
Net investment in capital assets	\$ 84,835,044	\$ 84,223,924	\$ 76,458,833	\$ 68,816,757	\$ 78,080,726
Restricted	19,596,927	18,620,858	15,400,743	15,701,861	8,085,327
Unrestricted	<u>(72,803,645)</u>	<u>(85,234,179)</u>	<u>(72,713,490)</u>	<u>(78,656,580)</u>	<u>(86,045,164)</u>
Total net position	<u><u>\$ 31,628,326</u></u>	<u><u>\$ 17,610,603</u></u>	<u><u>\$ 19,146,086</u></u>	<u><u>\$ 5,862,038</u></u>	<u><u>\$ 120,889</u></u>
	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>
<b>Net Position:</b>					
Net investment in capital assets	\$ 78,019,640	\$ 68,675,552	\$ 57,157,119	\$ 45,739,194	\$ 41,041,242
Restricted	4,952,352	5,667,460	5,170,348	10,293,717	14,807,177
Unrestricted	<u>(90,967,307)</u>	<u>8,413,547</u>	<u>5,027,588</u>	<u>18,726,945</u>	<u>18,036,057</u>
Total net position	<u><u>\$ (7,995,315)</u></u>	<u><u>\$ 82,756,559</u></u>	<u><u>\$ 67,355,055</u></u>	<u><u>\$ 74,759,856</u></u>	<u><u>\$ 73,884,476</u></u>

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



**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>
<b>Expenses</b>					
Instruction	\$ 71,322,023	\$ 61,693,826	\$ 59,823,134	\$ 61,995,783	\$ 62,967,577
Support services - students and staff	18,041,464	17,789,405	18,433,190	17,314,563	18,370,386
Support services - administration	10,064,378	9,777,558	10,436,681	10,337,501	6,208,030
Operation and maintenance of plant services	10,613,764	10,336,344	10,254,210	10,706,868	15,461,439
Student transportation services	4,723,021	4,696,363	5,296,198	5,237,098	5,279,882
Operation of non-instructional services	7,362,800	6,948,276	7,261,845	6,696,722	6,036,209
Interest on long-term debt	4,552,261	4,523,557	3,076,668	4,011,125	4,534,064
Other					179,663
Total expenses	<u>126,679,711</u>	<u>115,765,329</u>	<u>114,581,926</u>	<u>116,299,660</u>	<u>119,037,250</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	2,090,632	3,034,762	1,464,610	1,445,525	750,044
Operation of non-instructional services	900,403	881,847	738,223	768,191	670,927
Other activities	583,054	699,345	558,957	722,733	
Operating grants and contributions	18,391,417	15,548,304	15,954,439	15,050,097	19,660,855
Capital grants and contributions	1,351,053	559,304	985,385	416,099	
Total program revenues	<u>23,316,559</u>	<u>20,723,562</u>	<u>19,701,614</u>	<u>18,402,645</u>	<u>21,081,826</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (103,363,152)</u>	<u>\$ (95,041,767)</u>	<u>\$ (94,880,312)</u>	<u>\$ (97,897,015)</u>	<u>\$ (97,955,424)</u>

(Continued)

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>Expenses</b>					
Instruction	\$ 61,862,648	\$ 57,664,627	\$ 57,699,104	\$ 60,774,087	\$ 66,664,625
Support services - students and staff	16,570,731	15,962,390	18,352,932	16,088,591	17,771,407
Support services - administration	5,630,548	5,268,355	5,452,650	6,074,838	10,748,676
Operation and maintenance of plant services	15,720,736	15,896,301	17,199,143	16,064,280	11,756,100
Student transportation services	5,034,220	5,024,477	5,369,070	7,803,814	5,608,001
Operation of non-instructional services	5,936,758	5,686,639	5,216,035	5,208,339	5,369,044
Interest on long-term debt	4,530,676	5,101,573	5,825,321	6,513,784	4,989,671
Other			343,972		
Total expenses	<u>115,286,317</u>	<u>110,604,362</u>	<u>115,458,227</u>	<u>118,527,733</u>	<u>122,907,524</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	717,343	729,458	676,882	755,835	336,339
Operation of non-instructional services	670,855	695,661	764,867	998,929	893,309
Other activities					393,419
Operating grants and contributions	18,731,922	20,151,116	21,072,908	20,941,187	16,180,948
Capital grants and contributions					719,303
Total program revenues	<u>20,120,120</u>	<u>21,576,235</u>	<u>22,514,657</u>	<u>22,695,951</u>	<u>18,523,318</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (95,166,197)</u>	<u>\$ (89,028,127)</u>	<u>\$ (92,943,570)</u>	<u>\$ (95,831,782)</u>	<u>\$ (104,384,206)</u>

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

**(Concluded)**

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>
<b>Net (Expense)/Revenue</b>	\$ (103,363,152)	\$ (95,041,767)	\$ (94,880,312)	\$ (97,897,015)	\$ (97,955,424)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	49,787,545	49,343,130	48,749,083	45,894,664	75,063,132
Property taxes, levied for debt service	17,947,173	17,455,322	17,136,265	16,847,311	
Property taxes, levied for capital outlay	5,908,489	5,691,062	6,540,971	6,232,379	
Investment income	1,975,737	987,543	406,246	325,412	182,748
Unrestricted county aid	3,047,158	2,775,814	2,718,749	2,677,945	2,635,800
Unrestricted state aid	37,425,240	32,152,054	31,745,789	30,952,618	25,940,157
Unrestricted federal aid	1,289,533	965,759	867,257	707,835	983,827
Other					1,265,964
<b>Total general revenues</b>	<u>117,380,875</u>	<u>109,370,684</u>	<u>108,164,360</u>	<u>103,638,164</u>	<u>106,071,628</u>
<b>Changes in Net Position</b>	<u>\$ 14,017,723</u>	<u>\$ 14,328,917</u>	<u>\$ 13,284,048</u>	<u>\$ 5,741,149</u>	<u>\$ 8,116,204</u>

(Continued)

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>Net (Expense)/Revenue</b>	\$ (95,166,197)	\$ (89,028,127)	\$ (92,943,570)	\$ (95,831,782)	\$ (104,384,206)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	76,222,294	77,664,135	61,817,645	70,333,636	67,105,096
Property taxes, levied for debt service					
Property taxes, levied for capital outlay					
Investment income	137,039	147,521	112,122	553,503	404,971
Unrestricted county aid	2,469,097	2,346,167	2,197,380	2,497,969	2,826,270
Unrestricted state aid	24,467,591	22,713,466	19,496,611	23,919,752	31,990,282
Unrestricted federal aid	832,147	989,849	519,680	3,268,034	4,161,937
Other	1,279,210	1,480,370	1,395,331	1,657,939	
<b>Total general revenues</b>	<u>105,407,378</u>	<u>105,341,508</u>	<u>85,538,769</u>	<u>102,230,833</u>	<u>106,488,556</u>
<b>Changes in Net Position</b>	<u>\$ 10,241,181</u>	<u>\$ 16,313,381</u>	<u>\$ (7,404,801)</u>	<u>\$ 6,399,051</u>	<u>\$ 2,104,350</u>

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

**Notes:** Property tax revenue detail is not available for fiscal years prior to 2016

**(Concluded)**

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>
General Fund:					
Nonspendable	\$ 38,954	\$ 67,650	\$ 30,994	\$ 53,104	\$ 30,418
Restricted					
Committed					
Assigned					1,648,683
Unassigned	11,450,598	9,663,531	8,223,014	8,622,475	5,917,429
Reserved					
Unreserved					
Total General Fund	<u>\$ 11,489,552</u>	<u>\$ 9,731,181</u>	<u>\$ 8,254,008</u>	<u>\$ 8,675,579</u>	<u>\$ 7,596,530</u>
All Other Governmental Funds:					
Nonspendable	\$ 124,236	\$ 151,175	\$ 98,841	\$ 80,723	\$ 163,394
Restricted	87,200,871	66,631,657	79,966,972	38,669,865	50,063,843
Committed					
Assigned					7,398,023
Unassigned	(928,292)	(1,110,489)			
Reserved					
Unreserved, reported in:					
Special revenue funds					
Capital projects funds					
Debt service fund					
Total all other governmental funds	<u>\$ 86,396,815</u>	<u>\$ 65,672,343</u>	<u>\$ 80,065,813</u>	<u>\$ 38,750,588</u>	<u>\$ 57,625,260</u>

**(Continued)**

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
General Fund:					
Nonspendable	\$ 5,024,218	\$ 10,065,687	\$ 10,589,564	\$ 136,351	\$
Restricted					
Committed					
Assigned	1,635,019	1,678,355	1,365,972	2,168,287	
Unassigned	(587,720)	788,757	(2,017,689)	10,570,052	
Reserved					1,151,677
Unreserved					1,174,385
Total General Fund	<u>\$ 6,071,517</u>	<u>\$ 12,532,799</u>	<u>\$ 9,937,847</u>	<u>\$ 12,874,690</u>	<u>\$ 2,326,062</u>
All Other Governmental Funds:					
Nonspendable	\$ 272,223	\$ 229,846	\$ 107,489	\$ 96,096	\$
Restricted	13,044,837	16,212,566	17,388,410	29,543,168	
Committed					
Assigned	8,579,362	7,057,416	5,442,438	6,350,485	
Unassigned	(4,491,064)	(10,008,224)	(9,921,627)	(591,705)	
Reserved					103,931
Unreserved, reported in:					
Special revenue funds					5,552,472
Capital projects funds					36,638,299
Debt service fund					2,607,854
Total all other governmental funds	<u>\$ 17,405,358</u>	<u>\$ 13,491,604</u>	<u>\$ 13,016,710</u>	<u>\$ 35,398,044</u>	<u>\$ 44,902,556</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)**

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>
<b>Federal sources:</b>					
Federal grants	\$ 9,370,751	\$ 7,663,586	\$ 9,668,425	\$ 9,105,869	\$ 14,494,914
National School Lunch Program	6,512,831	6,004,778	5,929,483	5,847,096	5,756,068
Total federal sources	<u>15,883,582</u>	<u>13,668,364</u>	<u>15,597,908</u>	<u>14,952,965</u>	<u>20,250,982</u>
<b>State sources:</b>					
State equalization assistance	31,640,124	26,786,447	27,038,101	27,723,769	25,940,157
State grants	1,266,868	1,654,627	764,479	275,421	
School Facilities Board	1,345,218	434,747	850,766	300	
Other revenues	5,785,116	5,365,607	4,707,935	4,686,096	
Total state sources	<u>40,037,326</u>	<u>34,241,428</u>	<u>33,361,281</u>	<u>32,685,586</u>	<u>25,940,157</u>
<b>Local sources:</b>					
Property taxes	74,018,751	72,484,165	71,234,640	70,251,722	75,403,212
County aid	3,047,158	2,775,814	2,718,749	2,677,945	2,635,800
Food service sales	799,386	789,090	736,772	768,191	670,927
Investment income	1,850,852	949,357	376,670	301,010	182,748
Other revenues	5,615,889	4,381,216	2,617,747	2,734,609	2,016,008
Total local sources	<u>85,332,036</u>	<u>81,379,642</u>	<u>77,684,578</u>	<u>76,733,477</u>	<u>80,908,695</u>
<b>Total revenues</b>	<u><u>\$ 141,252,944</u></u>	<u><u>\$ 129,289,434</u></u>	<u><u>\$ 126,643,767</u></u>	<u><u>\$ 124,372,028</u></u>	<u><u>\$ 127,099,834</u></u>

(Continued)

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>Federal sources:</b>					
Federal grants	\$ 13,612,091	\$ 15,556,724	\$ 12,630,396	\$ 15,535,795	\$ 14,665,837
National School Lunch Program	5,403,372	5,343,219	5,157,270	4,941,653	5,059,608
Total federal sources	<u>19,015,463</u>	<u>20,899,943</u>	<u>17,787,666</u>	<u>20,477,448</u>	<u>19,725,445</u>
<b>State sources:</b>					
State equalization assistance	24,467,591	22,713,466	22,991,595	27,644,668	28,651,057
State grants					529,163
School Facilities Board					
Other revenues					3,332,502
Total state sources	<u>24,467,591</u>	<u>22,713,466</u>	<u>22,991,595</u>	<u>27,644,668</u>	<u>32,512,722</u>
<b>Local sources:</b>					
Property taxes	76,131,981	77,446,061	62,021,415	71,098,996	65,803,748
County aid	2,469,097	2,346,167	2,197,380	2,497,969	2,826,270
Food service sales	670,855	695,661	764,867	998,929	879,043
Investment income	137,039	147,521	112,122	553,503	422,608
Other revenues	1,996,553	2,269,823	2,155,655	2,428,774	1,599,016
Total local sources	<u>81,405,525</u>	<u>82,905,233</u>	<u>67,251,439</u>	<u>77,578,171</u>	<u>71,530,685</u>
<b>Total revenues</b>	<u>\$ 124,888,579</u>	<u>\$ 126,518,642</u>	<u>\$ 108,030,700</u>	<u>\$ 125,700,287</u>	<u>\$ 123,768,852</u>

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

**(Concluded)**



**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 59,727,476	\$ 53,903,105	\$ 51,757,173	\$ 50,126,449	\$ 54,945,194
Support services - students and staff	19,106,124	17,936,244	18,061,448	16,643,543	18,129,398
Support services - administration	10,575,473	9,839,611	10,039,957	9,592,017	6,095,443
Operation and maintenance of plant services	10,955,449	10,305,604	9,937,379	10,320,378	15,422,661
Student transportation services	3,891,478	3,770,358	3,976,784	4,077,837	4,386,114
Operation of non-instructional services	7,260,816	6,896,740	6,990,766	6,378,936	5,928,638
Capital outlay	44,685,132	21,551,196	19,968,195	25,462,257	3,989,349
Debt service -					
Claims and judgements					
Interest and fiscal charges	6,032,822	5,411,863	4,172,944	4,154,615	4,134,823
Principal retirement	13,640,000	12,680,000	15,800,000	12,835,000	11,625,000
Bond issuance costs	393,981		432,013		583,911
Payment to refunded bond escrow agent					
<b>Total expenditures</b>	<u>\$ 176,268,751</u>	<u>\$ 142,294,721</u>	<u>\$ 141,136,659</u>	<u>\$ 139,591,032</u>	<u>\$ 125,240,531</u>
Expenditures for capitalized assets	\$ 38,114,310	\$ 18,141,793	\$ 15,905,887	\$ 20,967,190	\$ 4,836,612
Debt service as a percentage of noncapital expenditures	14%	15%	16%	14%	14%

(Continued)

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 56,055,007	\$ 51,520,535	\$ 52,914,460	\$ 51,789,821	\$ 55,341,318
Support services - students and staff	16,575,040	16,208,624	18,478,613	16,277,924	16,879,596
Support services - administration	5,573,515	5,162,848	5,684,127	5,936,344	9,965,828
Operation and maintenance of plant services	15,406,689	15,930,949	16,911,597	15,222,306	11,724,134
Student transportation services	4,226,158	4,170,482	6,779,883	7,055,416	4,265,480
Operation of non-instructional services	6,120,854	5,535,048	5,079,401	5,054,413	5,063,007
Capital outlay	3,715,178	3,131,222	6,673,987	20,577,401	18,685,884
Debt service -					
Claims and judgements					
Interest and fiscal charges	9,178,339	5,100,591	5,678,455	6,305,204	4,943,241
Principal retirement	10,530,000	16,780,000	15,190,000	9,920,000	6,885,000
Bond issuance costs				110,145	335,190
Payment to refunded bond escrow agent					
<b>Total expenditures</b>	<u>\$ 127,380,780</u>	<u>\$ 123,540,299</u>	<u>\$ 133,390,523</u>	<u>\$ 138,248,974</u>	<u>\$ 134,088,678</u>
Expenditures for capitalized assets	\$ 4,423,938	\$ 4,301,983	\$ 11,739,867	\$ 20,464,545	\$ 10,841,649
Debt service as a percentage of noncapital expenditures	16%	18%	17%	14%	10%

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

**(Concluded)**

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (35,015,807)	\$ (13,005,287)	\$ (14,492,892)	\$ (15,219,004)	\$ 1,859,303
<b>Other financing sources (uses):</b>					
Issuance of school improvement bonds	47,980,000		47,875,000		37,560,000
Refunding bonds issued					27,500,000
Premium on sale of bonds	9,574,285		7,515,538		4,875,508
Capital lease agreements					
Transfers in	4,014,326	1,509,082	841,410	1,078,393	761,323
Transfers out	(4,014,326)	(1,509,082)	(841,410)	(3,595,027)	(761,323)
Payment to refunded bond escrow agent					(30,053,852)
Proceeds from sale of capital assets					
Total other financing sources (uses)	<u>57,554,285</u>	<u></u>	<u>55,390,538</u>	<u>(2,516,634)</u>	<u>39,881,656</u>
<b>Changes in fund balances</b>	<u>\$ 22,538,478</u>	<u>\$ (13,005,287)</u>	<u>\$ 40,897,646</u>	<u>\$ (17,735,638)</u>	<u>\$ 41,740,959</u>
	<u><b>2014</b></u>	<u><b>2013</b></u>	<u><b>2012</b></u>	<u><b>2011</b></u>	<u><b>2010</b></u>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (2,492,201)	\$ 2,978,343	\$ (25,359,823)	\$ (12,548,687)	\$ (10,319,826)
<b>Other financing sources (uses):</b>					
Issuance of school improvement bonds				14,270,000	25,170,000
Refunding bonds issued					
Premium on sale of bonds				644,332	288,760
Capital lease agreements					
Transfers in	3,358,368	947,022	2,373,008	1,022,025	2,459,529
Transfers out	(3,358,368)	(947,022)	(2,373,008)	(1,022,025)	(2,459,529)
Payment to refunded bond escrow agent					
Proceeds from sale of capital assets		65,383	117,966		
Total other financing sources (uses)	<u></u>	<u>65,383</u>	<u>117,966</u>	<u>14,914,332</u>	<u>25,458,760</u>
<b>Changes in fund balances</b>	<u>\$ (2,492,201)</u>	<u>\$ 3,043,726</u>	<u>\$ (25,241,857)</u>	<u>\$ 2,365,645</u>	<u>\$ 15,138,934</u>

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**NET LIMITED ASSESSED VALUE AND FULL CASH VALUE OF TAXABLE PROPERTY BY CLASS**  
**LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Commercial, Industrial, Utilities and Mining	\$ 809,612,473	\$ 783,383,606	\$ 745,160,300	\$ 728,372,625	\$ 718,421,648
Agricultural and Vacant	27,340,780	25,388,890	25,329,026	28,648,961	28,702,080
Residential (Owner Occupied)	277,023,176	263,571,607	252,589,951	242,406,047	238,170,353
Residential (Rental)	330,145,037	303,170,419	273,930,023	243,399,914	228,803,484
Railroad, Private Cars and Airlines	2,096,760	2,270,572	2,240,326	2,480,172	2,654,097
Historical Property	3,218,352	5,391,485	5,316,652	5,487,552	5,657,136
Certain Government Property Improvements	23,942	39,895	38,964	34,160	30,141
<b>Total</b>	<b>\$ 1,449,460,520</b>	<b>\$ 1,383,216,474</b>	<b>\$ 1,304,605,242</b>	<b>\$ 1,250,829,431</b>	<b>\$ 1,222,438,939</b>
Gross Full Cash Value	\$ 21,702,277,454	\$ 20,077,779,677	\$ 18,376,484,607	\$ 15,999,520,131	\$ 13,867,445,296
Ratio of Net Limited Assessed Value to Gross Full Cash Value	7%	7%	7%	8%	9%
Total Direct Rate	4.90	5.05	5.29	5.47	5.75

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Commercial, Industrial, Utilities and Mining	\$ 734,721,015	\$ 843,246,237	\$ 926,146,378	\$ 1,191,614,489	\$ 1,196,466,884
Agricultural and Vacant	29,363,034	34,280,734	50,559,704	44,562,202	46,224,092
Residential (Owner Occupied)	227,868,770	282,964,272	363,840,816	451,138,198	472,817,179
Residential (Rental)	193,859,471	180,019,866	216,411,501	251,328,984	228,125,339
Railroad, Private Cars and Airlines	2,505,119	2,774,441	2,439,358	2,507,266	2,644,376
Historical Property	5,453,696	5,625,266	5,865,162	6,310,817	5,747,512
Certain Government Property Improvements	28,495	23,265	25,627	13,320	16,635
<b>Total</b>	<b>\$ 1,193,799,600</b>	<b>\$ 1,348,934,081</b>	<b>\$ 1,565,288,546</b>	<b>\$ 1,947,475,276</b>	<b>\$ 1,952,042,017</b>
Gross Full Cash Value	\$ 12,941,693,279	\$ 12,805,976,115	\$ 14,750,511,727	\$ 18,048,236,187	\$ 18,772,588,894
Ratio of Net Limited Assessed Value to Gross Full Cash Value	9%	11%	11%	11%	10%
Total Direct Rate	6.16	5.57	3.99	3.60	3.28

**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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3**  
**NET FULL CASH ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS**  
**LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Commercial, Industrial, Utilities and Mining	\$ 1,034,794,904	\$ 979,872,909	\$ 901,977,115	\$ 798,328,358	\$ 727,469,438
Agricultural and Vacant	38,115,320	35,138,313	30,989,118	32,999,881	30,215,489
Residential (Owner Occupied)	389,881,828	358,121,756	347,072,484	315,592,574	258,594,273
Residential (Rental)	507,707,050	440,405,986	386,872,145	319,103,325	261,177,465
Railroad, Private Cars and Airlines	2,542,905	2,659,239	2,403,955	2,529,283	2,679,973
Historical Property	3,871,735	5,961,240	6,489,499	6,434,518	7,113,525
Certain Government Property Improvements	28,898	43,895	41,531	34,682	30,141
<b>Total</b>	<b>\$ 1,976,942,640</b>	<b>\$ 1,822,203,338</b>	<b>\$ 1,675,845,847</b>	<b>\$ 1,475,022,621</b>	<b>\$ 1,287,280,304</b>
Gross Full Cash Value	\$ 21,702,277,454	\$ 20,077,779,677	\$ 18,376,484,607	\$ 15,999,520,131	\$ 13,867,445,296
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	9%	9%	9%	9%	9%
Estimated Net Full Cash Value	\$ 14,343,537,296	\$ 13,138,077,225	\$ 12,082,397,690	\$ 15,999,520,130	\$ 8,785,210,543
Total Direct Rate	4.90	5.05	5.29	5.47	5.75

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Commercial, Industrial, Utilities and Mining	\$ 738,213,770	\$ 847,650,659	\$ 936,163,779	\$ 1,285,752,889	\$ 1,383,889,715
Agricultural and Vacant	30,123,518	35,317,591	53,804,313	53,341,019	63,066,483
Residential (Owner Occupied)	228,032,466	283,156,861	364,199,081	454,708,597	537,314,621
Residential (Rental)	199,931,466	180,071,284	217,196,383	270,972,472	281,967,850
Railroad, Private Cars and Airlines	2,529,484	2,829,080	2,731,403	3,007,466	3,134,640
Historical Property	7,001,051	7,148,235	8,001,541	9,188,578	7,468,356
Certain Government Property Improvements	28,495	23,265	25,627	13,320	16,635
<b>Total</b>	<b>\$ 1,205,860,250</b>	<b>\$ 1,356,196,975</b>	<b>\$ 1,582,122,127</b>	<b>\$ 2,076,984,341</b>	<b>\$ 2,276,858,300</b>
Gross Full Cash Value	\$ 12,941,693,279	\$ 12,805,976,115	\$ 14,750,511,727	\$ 18,048,236,187	\$ 18,772,588,894
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	9%	11%	11%	12%	12%
Estimated Net Full Cash Value	\$ 7,976,756,162	\$ 8,877,589,037	\$ 10,547,781,771	\$ 13,483,510,020	\$ 14,637,465,810
Total Direct Rate	6.16	5.57	3.99	3.60	3.28

**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.

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
PROPERTY TAX ASSESSMENT RATIOS  
LAST TEN FISCAL YEARS**

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

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

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

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
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 Tempe	East Valley Inst. Of Technology	Tempe Union High School District No. 213	City of Phoenix	City of Scottsdale	City of Mesa	Primary	Secondary	Total
2019	0.47	1.40	0.06	0.18	1.38	0.01	0.14	2.42	0.05	2.64	2.14	1.10	1.02	2.05	2.85	4.90
2018	0.49	1.10	0.06	0.18	1.41	0.01	0.14	2.49	0.05	2.66	2.16	1.09	1.10	2.96	2.09	5.05
2017	0.50	1.40	0.06	0.18	1.47	0.01	0.14	2.52	0.05	2.90	2.17	1.13	1.16	3.09	2.20	5.29
2016	0.51	1.36	0.06	0.16	1.49	0.01	0.14	2.52	0.05	2.88	1.82	1.15	1.21	3.22	2.25	5.47
2015	0.51	1.32	0.06	0.14	1.52	0.01	0.14	2.44	0.05	3.06	1.82	1.24	1.19	3.30	2.45	5.75
2014	0.51	1.28	0.04	0.14	1.53	0.01	0.14	2.49	0.05	2.66	1.82	1.29	0.86	3.22	2.94	6.16
2013	0.47	1.24	0.05	0.18	1.21	0.01	0.10	1.79	0.05	2.57	1.82	1.09	0.51	3.18	2.39	5.57
2012	0.43	1.24	0.05	0.18	1.21	0.01	0.10	1.79	0.05	2.57	1.82	1.09	0.45	2.65	1.34	3.99
2011	0.36	1.05	0.04	0.15	0.97	0.01	0.10	1.40	0.05	2.30	1.82	0.75	0.35	2.31	1.29	3.60
2010	0.33	0.99	0.04	0.14	0.88	0.01	0.10	1.40	0.05	2.24	1.82	0.75	0.30	2.14	1.14	3.28

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<u>Taxpayer</u>	<u>2019</u>		<u>2010</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>
Verizon Wireless	\$ 31,626,714	1.70 %	\$	
Arizona Public Service Company	27,998,289	1.50	22,164,880	1.14 %
Arizona Mills Mall LLC	19,397,626	1.04	41,696,241	2.14
JP Morgan Chase Bank NA	16,444,834	0.88		
Cousins Fund II Phx IV LLC	10,833,116	0.58		
Qwest Corporation	10,733,492	0.58	25,618,715	1.31
JDM II Tempe OC LLC	8,598,137	0.46		
Honeywell International Inc.	8,573,232	0.46	14,012,511	0.72
San Sonoma Apartments LLC	8,183,300	0.44		
PKW W Rio Salado LLC	7,341,667	0.39		
Tempe Fountainhead Corporate LLC			18,047,439	0.92
Fly (Cd) LLC/ Awhq LLC			17,987,113	0.92
State Farm Mutual Auto Insurance			16,145,044	0.83
SRPAI&PD			12,335,440	0.63
Breof BNK 2 Southwest LLC			12,004,262	0.61
Target			11,394,622	0.58
Total	<u>\$ 149,730,407</u>	<u>8.03 %</u>	<u>\$ 191,406,267</u>	<u>9.80 %</u>

**Source:** The source of this information is RBC Capital Markets.

**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.



**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Fiscal Years	Collected to the End of the Current Fiscal Year	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2019	\$ 71,611,074	\$ 69,865,123	97.56 %	\$	\$ 69,865,123	97.56 %
2018	69,682,185	67,718,197	97.18	1,923,564	69,641,761	99.94
2017	69,401,151	67,089,149	96.67	2,261,051	69,350,200	99.93
2016	69,034,706	68,103,388	98.65	896,060	68,999,448	99.95
2015	72,270,506	70,609,571	97.70	1,635,361	72,244,932	99.96
2014	74,144,209	72,125,687	97.28	1,988,203	74,113,890	99.96
2013	75,738,125	73,653,381	97.25	2,059,583	75,712,964	99.97
2012	62,608,613	60,348,216	96.39	1,907,197	62,255,413	99.44
2011	71,851,994	69,254,353	96.38	2,582,556	71,836,909	99.98
2010	67,600,501	64,255,782	95.05	2,097,345	66,353,127	98.15

**Source:** The source of this information is the 2018 Maricopa County Treasurer's records.

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

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
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	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Percentage of Personal Income
2019	\$ 185,316,058	\$ 3,913,033	\$ 181,403,025	0.84 %	\$ 979	\$ 185,316,058	0.85 %	\$ 1,000	N/A %
2018	142,194,991	1,821,648	140,373,343	0.70	781	142,194,991	0.71	791	0.08
2017	159,155,954	1,189,779	157,966,175	0.86	895	159,155,954	0.87	901	0.06
2016	117,969,363	3,620,807	114,348,556	0.71	724	117,969,363	0.74	746	0.07
2015	130,010,511	2,840,019	127,170,492	0.92	861	130,010,511	0.94	880	0.08
2014	88,216,801		88,216,801	0.68	597	88,216,801	0.68	597	0.05
2013	103,583,363		103,583,363	0.81	701	103,583,363	0.81	701	0.07
2012	119,386,865		119,386,865	0.81	808	119,386,865	0.81	808	0.08
2011	131,907,655	2,168,287	129,739,368	0.72	878	131,907,655	0.73	893	0.09
2010	132,888,610	6,885,000	126,003,610	0.67	853	132,888,610	0.71	900	0.09

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

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
JUNE 30, 2019**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to School District</u>	<u>Estimated Amount Applicable to School District</u>
Overlapping:			
Maricopa Community College District	\$ 380,740,000	3.61 %	\$ 13,744,714
Maricopa Special Health Care District	497,125,000	3.52	17,498,800
City of Phoenix	1,149,785,000	1.64	18,856,474
City of Mesa	365,755,000	0.35	1,280,143
City of Scottsdale	990,148,000	0.0001	990
City of Tempe	381,652,000	65.32	249,295,086
Tempe Union High School District No. 213	87,580,000	41.29	36,161,782
Subtotal, Overlapping Debt			<u>336,837,989</u>
Direct:			
Tempe Elementary School District No. 3			<u>185,316,058</u>
Total Direct and Overlapping Governmental Activities Debt			<u>\$ 522,154,047</u>

**DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS**

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation		12.52 %
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 2,797	
As a Percentage of Net Limited Assessed Valuation		35.75 %
As a Percentage of Gross Full Cash Value		2.39 %

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

- Notes:**
- 1) Estimated percentage of debt outstanding applicable to the District is calculated based on a portion of the District's net limited assessed valuation as a percentage of the net limited assessed valuation of the overlapping jurisdiction.
  - 2) Outstanding debt as of June 30, 2018 is presented for the overlapping governments as this is the most recent available information.

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

**Class B Bond Legal Debt Margin Calculation for Fiscal Year 2019:**

Net full cash assessed valuation	\$ 1,976,942,640
Debt limit (10% of assessed value)	197,694,264
Debt applicable to limit	<u>180,776,789</u>
Legal debt margin	<u><u>\$ 16,917,475</u></u>

**Total Legal Debt Margin Calculation for Fiscal Year 2019:**

Net full cash assessed valuation	\$ 1,976,942,640
Debt limit (15% of assessed value)	296,541,396
Debt applicable to limit	<u>180,776,789</u>
Legal debt margin	<u><u>\$ 115,764,607</u></u>

**Fiscal Year Ended June 30**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Debt Limit	\$ 296,541,396	\$ 273,330,501	\$ 251,376,877	\$ 221,253,393	\$ 193,092,046
Total net debt applicable to limit	<u>180,776,789</u>	<u>126,320,000</u>	<u>155,190,538</u>	<u>112,635,000</u>	<u>112,635,000</u>
Legal debt margin	<u><u>\$ 115,764,607</u></u>	<u><u>\$ 147,010,501</u></u>	<u><u>\$ 96,186,339</u></u>	<u><u>\$ 108,618,393</u></u>	<u><u>\$ 80,457,046</u></u>
Total net debt applicable to the limit as a percentage of debt limit	61%	46%	62%	51%	58%
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Debt Limit	\$ 180,879,038	\$ 203,429,546	\$ 237,318,319	\$ 311,547,651	\$ 341,528,745
Total net debt applicable to limit	<u>86,700,000</u>	<u>97,230,000</u>	<u>114,010,000</u>	<u>114,010,000</u>	<u>126,003,610</u>
Legal debt margin	<u><u>\$ 94,179,038</u></u>	<u><u>\$ 106,199,546</u></u>	<u><u>\$ 123,308,319</u></u>	<u><u>\$ 197,537,651</u></u>	<u><u>\$ 215,525,135</u></u>
Total net debt applicable to the limit as a percentage of debt limit	48%	48%	48%	37%	37%

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

- Notes:** 1) The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds outstanding and the statutory debt limit on Class B bonds outstanding. The calculations of the debt margins are presented in detail for the current fiscal year only.
- 2) Prior to FY17, net bond premium was restricted by amount and not subject to the statutory debt limit. Beginning with FY17, any additional net premium used for capital projects, bond counsel, printing and preparation of offering documents, a financial advisor, paying agent costs or to pay down debt is counted against both debt limits with the exception of amounts of premium deposited into the Debt Service Fund or a refunding escrow to pay interest payments.

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN CALENDAR YEARS**

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands)</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>	<u>Estimated District Population</u>
2018	4,294,460	\$ 196,286,191	\$ 45,573	4.1 %	185,301
2017	4,221,684	185,111,698	43,628	4.2	179,794
2016	4,137,076	280,120,037	43,628	4.5	176,584
2015	4,076,438	168,483,421	41,222	5.5	158,032
2014	4,087,191	168,483,421	41,222	5.9	147,734
2013 *	4,009,412	160,497,824	40,030	6.6	147,734
2012	3,884,705	154,926,697	39,300	7.1	147,734
2011	3,880,244	147,724,392	38,071	8.4	147,734
2010	3,817,117	140,351,646	36,695	9.1	147,734
2009	4,023,331	142,091,618	35,319	8.3	147,734

**Sources:** The source of the "Personal Income" and "Per Capita" information is the Bureau of Economic Analysis. The source of the "Population" and "Unemployment Rate" information from 2009 through 2010 is the University of Arizona, Eller College of Management, Economic and Business Research Center. For 2011 through 2018, the source of the information is the Arizona Office of Employment and Population Statistics.

**Notes:** \*This information is from the State of Arizona Department of Administration

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
PRINCIPAL EMPLOYERS  
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<u>Employer</u>	<u>2019</u>		<u>2010</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Arizona State University	7,150	9.26 %	10,089	8.49 %
State Farm Insurance	7,150	9.26		
Freedom Financial Network	3,290	4.26		
JPMorgan Chase Bank National	2,220	2.87	2,377	2.00
ABM Industries Inc	2,000	2.59		
Wells Fargo	1,990	2.58	3,636	3.06
City of Tempe	1,894	2.45	1,565	1.32
SRP	1,760	2.28	3,331	2.80
Honeywell	1,600	2.07	3,000	2.52
Tempe Elementary School District 3	1,520	1.97		
Freescale Semiconductor (Motorola)			4,779	4.02
Kyrene School District			2,559	2.15
US Airways			1,898	1.60
Bank One Telephone Banking Division			2,000	1.68
<b>Total</b>	<u>30,574</u>	<u>39.59 %</u>	<u>35,234</u>	<u>29.64 %</u>
 Total employment	 <u>77,236</u>		 <u>118,902</u>	

**Source:** The source of this information is City of Tempe Department of Economic Development.

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE  
LAST TEN FISCAL YEARS**

	<b>Full-time Equivalent Employees as of June 30</b>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Supervisory</b>					
District	12	11	10	9	9
Principals	23	22	21	21	21
Assistant principals	9	11	12	13	13
Total supervisory	<u>44</u>	<u>44</u>	<u>43</u>	<u>43</u>	<u>43</u>
<b>Student services</b>					
Guidance Counselors	30	21	21	21	21
Librarians	18	17	17	17	16
Psychologists	19	17	18	18	17
Other	24	49	49	45	29
Total student services	<u>91</u>	<u>104</u>	<u>105</u>	<u>101</u>	<u>83</u>
<b>Instruction</b>					
Regular education	723	592	590	600	604
Special education	126	115	108	112	114
Total instruction	<u>849</u>	<u>707</u>	<u>698</u>	<u>712</u>	<u>718</u>
<b>Support &amp; administration</b>					
Instructional aides	248	183	172	187	191
Office staff	139	106	106	102	100
Managers/directors	13	24	24	27	22
Student support	53	65	59	59	55
Plant operations staff	141	112	112	113	113
Other	200	164	170	171	187
Total support and administration	<u>794</u>	<u>654</u>	<u>643</u>	<u>659</u>	<u>668</u>
<b>Total</b>	<u><u>1,778</u></u>	<u><u>1,509</u></u>	<u><u>1,489</u></u>	<u><u>1,515</u></u>	<u><u>1,512</u></u>

(Continued)

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE  
LAST TEN FISCAL YEARS**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>Supervisory</b>					
District	9	9	7	8	10
Principals	20	20	19	22	22
Assistant principals	13	13	12	11	11
Total supervisory	<u>42</u>	<u>42</u>	<u>38</u>	<u>41</u>	<u>43</u>
<b>Student services</b>					
Guidance Counselors	20	20	20	24	25
Librarians	16	15	16	17	23
Psychologists	17	17	16	18	19
Other	29	37	23	27	25
Total student services	<u>82</u>	<u>89</u>	<u>75</u>	<u>86</u>	<u>92</u>
<b>Instruction</b>					
Regular education	604	601	599	677	689
Special education	114	104	112	109	110
Total instruction	<u>718</u>	<u>705</u>	<u>711</u>	<u>786</u>	<u>799</u>
<b>Support &amp; administration</b>					
Instructional aides	191	178	199	220	220
Office staff	100	100	101	112	113
Managers/directors	22	22	24	19	19
Student support	55	54	54	58	65
Plant operations staff	113	111	108	126	120
Other	187	174	172	195	198
Total support and administration	<u>668</u>	<u>639</u>	<u>658</u>	<u>730</u>	<u>735</u>
<b>Total</b>	<u><u>1,510</u></u>	<u><u>1,475</u></u>	<u><u>1,482</u></u>	<u><u>1,643</u></u>	<u><u>1,669</u></u>

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

**(Concluded)**



**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30</b>	<b>Average Daily Membership</b>	<b>Operating Expenditures</b>	<b>Cost per Pupil</b>	<b>Percentage Change</b>	<b>Expenses</b>	<b>Cost per Pupil</b>	<b>Percentage Change</b>	<b>Teaching Staff</b>	<b>Pupil-Teacher Ratio</b>	<b>Percentage of Free/Reduced Students</b>
2019	10,905	\$ 111,516,816	\$ 10,226	7.29 %	\$ 126,679,711	\$ 11,617	8.07 %	849	12.8	72.4 %
2018	10,770	102,651,662	9,531	3.25	115,765,329	10,749	2.39	707	15.2	65.0
2017	10,915	100,763,507	9,232	4.82	114,581,926	10,498	(0.44)	698	15.6	67.0
2016	11,030	97,139,160	8,807	(6.69)	116,299,660	10,544	(1.55)	712	15.5	74.0
2015	11,115	104,907,448	9,438	0.28	119,037,250	10,710	2.60	718	15.5	73.8
2014	11,045	103,957,263	9,412	4.70	115,286,317	10,438	3.43	718	15.4	74.2
2013	10,960	98,528,486	8,990	(6.28)	110,604,362	10,092	(3.55)	705	15.5	74.6
2012	11,035	105,848,081	9,592	6.54	115,458,227	10,463	(0.64)	711	15.5	75.0
2011	11,256	101,336,224	9,003	2.47	118,527,733	10,530	0.68	786	14.3	72.2
2010	11,751	103,239,363	8,786	(0.26)	122,907,524	10,459	(4.04)	799	14.7	72.2

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

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

**TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3  
CAPITAL ASSETS INFORMATION  
LAST TEN FISCAL YEARS**

	<b>Fiscal Year Ended June 30</b>									
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>
<b><u>Schools</u></b>										
<b>Elementary</b>										
Buildings	62	63	61	63	57	57	58	58	74	73
Square feet	1,048,134	976,053	978,653	956,962	883,446	883,446	884,047	884,047	884,047	941,396
Capacity	9,682	9,682	9,654	9,521	8,755	8,755	8,755	8,755	8,755	9,481
Enrollment	7,351	7,265	7,390	7,534	8,052	8,052	7,879	7,912	7,912	7,988
<b>Middle</b>										
Buildings	38	38	38	38	36	35	32	30	30	41
Square feet	519,742	519,742	519,742	519,742	498,931	490,485	455,684	556,388	556,388	566,388
Capacity	4,100	4,100	4,100	4,100	4,100	3,693	3,318	4,288	4,288	4,288
Enrollment	3,156	3,154	3,081	3,135	3,098	2,931	3,001	2,994	2,994	3,173
<b>K-8</b>										
Buildings	8	7	7	3	10	10	10	10	10	10
Square feet	132,996	118,203	118,203	43,991	95,960	9,560	95,960	95,960	95,960	95,960
Capacity	1,079	1,079	1,079	504	1,079	1,079	1,079	1,079	1,079	1,079
Enrollment	1,046	1,030	962	905	901	946	981	991	991	955
<b><u>Administrative</u></b>										
Buildings	2	2	2	3	4	4	4	1	1	1
Square feet	94,371	94,371	94,371	77,348	95,301	95,301	95,301	57,194	57,194	57,194
<b><u>Maintenance</u></b>										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	77,348	77,348	77,348	77,348	77,348	77,348	77,348	77,348	77,348	77,348
<b><u>Other</u></b>										
Buildings	6	6	7	7	15	20	23	28	9	7
Square feet	23,521	23,521	25,961	25,961	120,288	172,605	207,219	255,385	60,181	50,122
Capacity	265	265	293	293	1,020	1,675	2,050	2,436	610	550

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

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