

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13

TUCSON, ARIZONA

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

Issued by:
Business Office

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13

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INTRODUCTORY SECTION

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TANQUE VERDE UNIFIED SCHOOL DISTRICT 13

2300 N. Tanque Verde Loop Rd. Bldg #1 • Tucson, Arizona 85749 • Telephone (520) 749-5751 • Fax (520) 749-5400
www.tanqueverdeschools.org

December 26, 2014

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

State law mandates that school districts required to undergo an annual single audit publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States by a certified public accounting firm licensed in the State of Arizona. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Tanque Verde Unified School District No. 13 (District) for the fiscal year ended June 30, 2014.

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, 2014, 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, 2014, 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.

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 U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* designed to meet the special needs of federal grantor agencies. 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 18 public school districts, with an enrollment of approximately 1,915 students, located in Pima County, Arizona. It provides a program of public education from preschool through grade twelve. The average age of the District's buildings is 26 years.

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

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

The financial reporting entity consists of a primary government and its component units. A component unit is a legally separate entity that must be included in the reporting entity in conformity with generally accepted accounting principles. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Furthermore, component units combined with the District for financial statement purposes and the District are not included in any other governmental 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. In addition, the District sponsors the Tanque Verde Elementary Charter School for which the governing body is financially accountable for; therefore, this activity is included in the reporting entity. Additional information in regard to the charter school can be found in Note 1 in the notes to their basic financial statements.

The District is located entirely in Pima County on the far east side of Tucson. The District is bounded on the north and east borders by the Coronado National Forest and by the Saguaro National Park as well as the Tucson Unified School District to the west and Vail School District to the south. The primary assessed valuation decreased 7.59% during the 2013-14 school year. The assessed valuation places Tanque Verde in the middle of the other school districts in Pima County. However, the total primary and secondary school tax rate is among the lowest of the districts in the Tucson area. There are a few commercial operations within the District, including several plant nurseries, a golf country club, an internationally known resort, utility substations and a few retail stores. The District is mainly a quiet low density “bedroom community” with the majority of the residents working in professional occupations in the Tucson area for IBM or Raytheon.

Each year the District focuses on state and national trends and possible changes in the education industry. Currently, the District is involved in training and developing strategies for the new Arizona Evaluation Framework for Teachers and Administrators, which will partially base evaluation on student achievement. District professional development activities include the ongoing focus on Marzano instructional strategies. These are research-based strategies which have been shown to improve student achievement. Teachers participate in monthly training activities to learn and practice these strategies.

The District has continued with the training of teachers in the Arizona College and Career Readiness (ACCR) Standards (previously referred to as Common Core Standards in our state until the Governor changed the name). K-12 teachers are being trained in the instructional shifts necessary to meet the demands of the ACCR standards. In addition, English Language Arts, Social Studies, Science, and Career and Technical Education teachers in grades 7-12 are being trained in and are developing interdisciplinary units which incorporate the English Language Arts and Content Literacy standards.

In the summer of 2013, the Arizona Department of Education approved our District’s application for a district sponsored charter school at Tanque Verde Elementary School starting in fiscal year 2013-14. The guiding educational philosophy of the charter school is being implemented through a character education program known as *Capturing Kids’ Hearts*. This school is a top choice for K-6 students in the Tucson area because students are offered a viable curriculum, facilitated by highly effective and nurturing teachers and support staff who use technology tools designed to focus on each individual’s needs and abilities. This focus will be evident in the school’s use of progress monitoring, application of achievement benchmarking, integration of various curriculum-based measures, and implementation of a dynamic character education initiative. Combined, these tools are enabling the school to look at each child’s needs and provide necessary instruction and intervention to address learning deficits and promote academic strengths. Use of these tools continues to enable teachers to “inform instruction” which is required for improvement of academic achievement in a school environment where respect and dignity are cultural norms. As per legislative direction, this will be the last year of the district charter for Tanque Verde Elementary Charter School. The state has mandated that all district-sponsored charter schools beginning in school year 2013-14, return to a traditional public school format at the end of this school year. Additionally, the state is only funding these district-sponsored charter schools at 74.5% of full funding in additional assistance this year. Beginning in school year 2015-16, the Tanque Verde Elementary School will no longer receive additional assistance as a charter school.

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

Lastly, the District continues its membership in the Pima County Joint Technological Education District (JTED). Through JTED, the District offers its students enhanced career and technical education opportunities in such fields as computer technology, drafting and design, graphic communications, health care, and agri-science. Previously, a computer lab and a greenhouse were a part of the curriculum resources. Enrollment in this program exceeds 100 students and continued program offerings will enable our students to receive college credit by successfully completing the required course work. The JTED academic offerings at TVHS have been bolstered with an expansion of the veterinary science program and the expansion of an engineering/precision manufacturing program.

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

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

FACTORS AFFECTING FINANCIAL CONDITION

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

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

Long-term Financial Planning. In November 2009, District voters approved an extension of the existing 10% maintenance and operation override for an additional seven years. Currently, this Override provides approximately \$1.0 million in annual funding for programs and services. In November 2011 and again in 2012, the District voters did not approve a new Special Programs Override (which was to replace the K-3 Override which provides approximately

\$330,000 in annual funding for programs and services). In May 2014, a School Board Advisory Committee, Tanque Verde On Target (TOT) was implemented to determine the feasibility of the continuance of a school district maintenance and operations override in November 2014. This 20-member Board Advisory Committee unanimously recommended that the TVUSD Board of Education call for the continuance of a 15% Maintenance and Operations override (continuation of 10% override and 5% special programs override) election for November 14, 2014. With the continued support of the TOT committee and additional local support the override passed and is projected to raise \$1.5 million. In conjunction with Tucson Electric Power Company's Energy Rebate Program; a solar company completed a \$5.0 million lease purchase solar project in 2012 on the District's campuses that is saving the District an estimated \$150,000 annually in electricity costs and will be for the next 24 years. Under the terms of the agreement, the project was 100% paid for by the solar company. In exchange, the company will be paid a fixed rate of 6.1 cents per Kwh for the next 25 years by the District as well as receive tax credits and other utility incentives over the 25 year term of the lease. The District also completed a \$1.0 million Guaranteed Energy Performance Project with Climatec in 2013 whereby the company guaranteed that the District will save energy costs at least equal to the required annual lease payments over the 15 year term of the agreement. Finally, the formation of a District charter school has added approximately \$250,000 in budget funding in fiscal year 2013-14. As noted earlier, the state has mandated that the district charter school revert to a traditionally funded public school and will not be eligible for any additional charter school assistance beginning in fiscal year 15-16.

With the prior sale of general obligation bonds in the principal amount not to exceed \$14,000,000 in 2009, and the Arizona School Facilities Board award in fiscal year 2009-10, the District was able to make substantial additions and upgrades to its facilities. We built the Emily Gray Junior High School, added building upgrades at the three other school sites, and also added approximately 21,000 square feet of new classroom space at Tanque Verde High School. Finally, in fiscal year 2012-13, the District was awarded approximately \$400,000 in Federal and State grants, and received \$476,162 in revenues under Proposition 301 funding, which primarily goes towards increasing teacher salaries.

Student enrollment continues to increase as students outside of the school district open-enroll in our schools. Tanque Verde is an A rated school district as determined by the Arizona Department of Education. With the start of the new school year fiscal year 2014-15, the District enrollment has reached 2,050 students and it is projected to reach its maximum student capacity of approximately 2,100 students next year. The Tanque Verde High School may have additional capacity for 50 to 75 additional students in the school year 2015-16.

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

AWARDS AND ACKNOWLEDGMENT

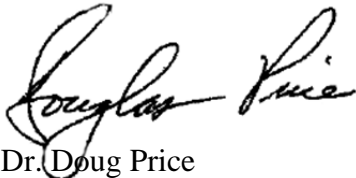
Awards. The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2013. This was the twentieth consecutive year that the District has received 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, 2013. 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, 2014 certificates.

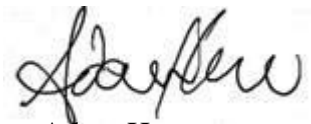
Acknowledgments. The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the business office. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

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

Respectfully submitted,



Dr. Doug Price
Superintendent



Adam Hamm
Business Manager

Association of School Business Officials International



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

Tanque Verde Unified School District No. 13

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2013*

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



A handwritten signature in black ink, reading 'Terrie S. Simmons'.

Terrie S. Simmons, RSBA, CSBO
President

A handwritten signature in black ink, reading 'John D. Musso'.

John D. Musso, CAE, RSBA
Executive Director



Government Finance Officers Association

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

Presented to

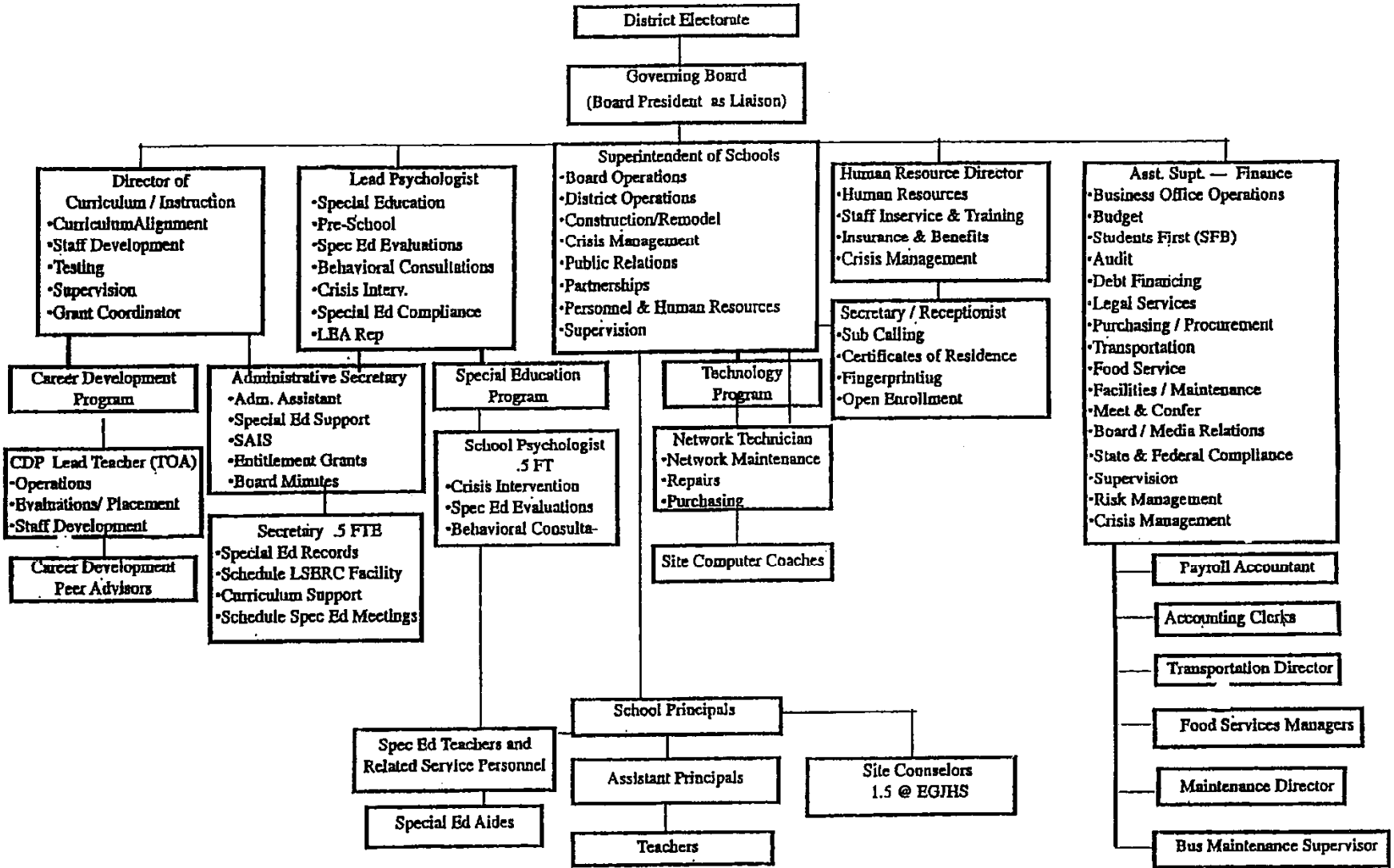
**Tanque Verde Unified School
District No. 13, Arizona**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

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



TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13

LIST OF PRINCIPAL OFFICIALS

GOVERNING BOARD

Claire Place
President

Peter Livingston
Clerk

Steven Auslander
Member

Jeffrey M. Neff
Member

Carlos Ruiz
Member

ADMINISTRATIVE STAFF

Dr. Doug Price
Superintendent

Adam Hamm
Business Manager

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Governing Board
Tanque Verde Unified School District No. 13

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tanque Verde Unified School District No. 13 (District), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Tanque Verde Unified School District No. 13, as of June 30, 2014, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 1, the District implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for the year ended June 30, 2014, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 14 and budgetary comparison information on pages 48 through 50 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 and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2014, on our consideration of Tanque Verde Unified School District No. 13's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Tanque Verde Unified School District No. 13's internal control over financial reporting and compliance.

HEINFELD, MEECH & CO., P.C.
CPAs and Business Consultants

December 26, 2014

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

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**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2014**

As management of the Tanque Verde Unified School District No. 13 (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

- The District's total net position of governmental activities decreased \$336,654 which represents a 2 percent decrease from the prior fiscal year.
- General revenues accounted for \$13.5 million in revenue, or 86 percent of all current fiscal year revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$2.3 million or 14 percent of total current fiscal year revenues.
- The District had approximately \$16.1 million in expenses related to governmental activities, an increase of 6 percent from the prior fiscal year primarily due to a four percent employee compensation increase during the fiscal year.
- The General Fund had \$11.7 million in current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$11.7 million in expenditures. The General Fund's fund balance decreased \$21,136 to \$2.5 million at the end of the current fiscal year.
- The Joint Technical Education Fund had \$597 in revenues and total expenditures were \$101,944. The Joint Technical Education had a deficit fund balance of \$101,347 at the end of the current fiscal year.

OVERVIEW OF FINANCIAL STATEMENTS

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

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

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2014**

OVERVIEW OF FINANCIAL STATEMENTS (Cont'd)

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

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

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

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

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

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

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2014**

OVERVIEW OF FINANCIAL STATEMENTS (Concl'd)

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

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

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

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

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 exceeded liabilities by \$17.5 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, and vehicles, furniture and equipment), less any related outstanding debt used to acquire those assets. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related outstanding debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. In addition, a portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance is unrestricted and may be used to meet the District's ongoing obligations to its citizens and creditors.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2014**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2014 and June 30, 2013.

	As of <u>June 30, 2014</u>	As of <u>June 30, 2013</u>
Current assets	\$ 5,103,166	\$ 5,940,560
Capital assets, net	26,125,926	26,957,558
Total assets	<u>31,229,092</u>	<u>32,898,118</u>
Current liabilities	701,638	1,028,144
Long-term liabilities	13,003,632	14,009,498
Total liabilities	<u>13,705,270</u>	<u>15,037,642</u>
Net position:		
Net investment in capital assets	13,790,926	13,587,558
Restricted	1,460,282	1,542,118
Unrestricted	2,272,614	2,730,800
Total net position	<u>\$ 17,523,822</u>	<u>\$ 17,860,476</u>

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

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

- The addition of \$923,045 in accumulated depreciation through current year depreciation expense.
- The principal retirement of \$525,000 in bonds payable.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2014**

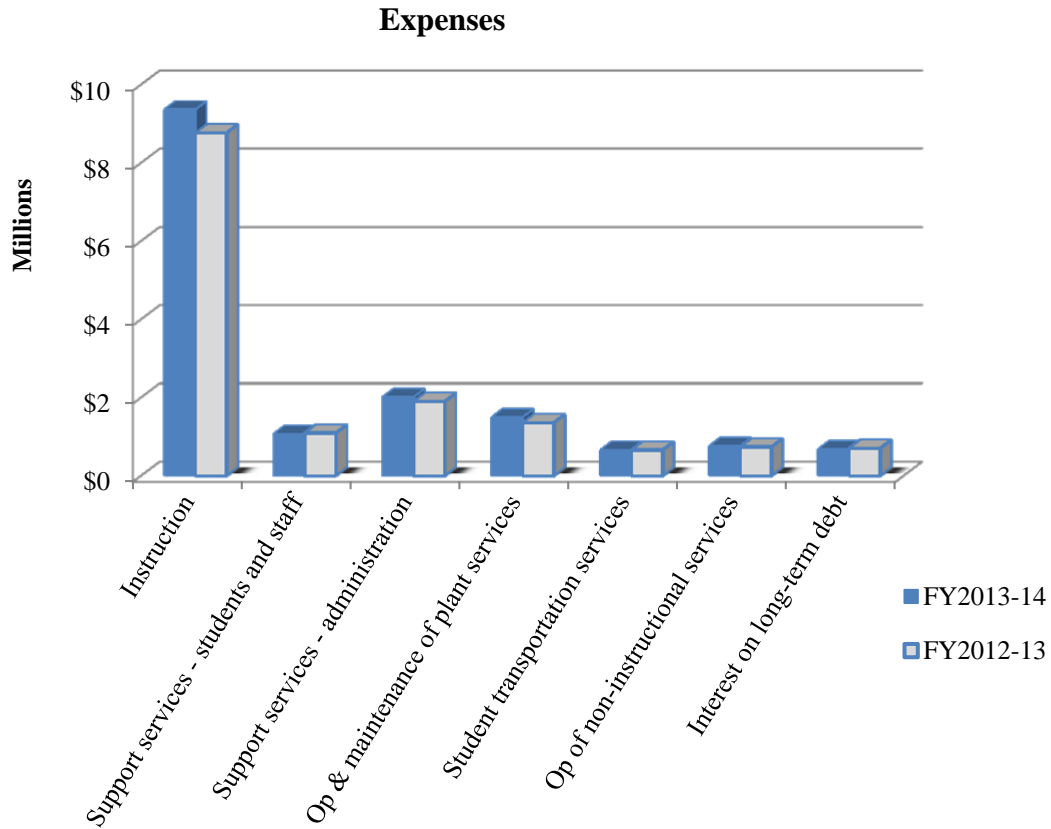
GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

Changes in net position. The District's total revenues for the current fiscal year were \$15.7 million. The total cost of all programs and services was \$16.1 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2014 and June 30, 2013.

	<u>Fiscal Year Ended June 30, 2014</u>	<u>Fiscal Year Ended June 30, 2013</u>
Revenues:		
Program revenues:		
Charges for services	\$ 1,253,755	\$ 1,273,480
Operating grants and contributions	963,876	805,290
Capital grants and contributions	35,314	63,798
General revenues:		
Property taxes	6,628,550	6,087,857
Investment income	12,343	30,630
Unrestricted county aid	479,603	336,894
Unrestricted state aid	<u>6,357,931</u>	<u>5,177,170</u>
Total revenues	<u>15,731,372</u>	<u>13,775,119</u>
Expenses:		
Instruction	9,366,070	8,767,736
Support services – students and staff	1,071,992	1,090,665
Support services – administration	2,014,582	1,901,848
Operation and maintenance of plant services	1,501,218	1,356,566
Student transportation services	664,236	658,550
Operation of non-instructional services	767,742	735,868
Interest on long-term debt	<u>682,186</u>	<u>702,586</u>
Total expenses	<u>16,068,026</u>	<u>15,213,819</u>
Changes in net position	(336,654)	(1,438,700)
Net position, beginning	<u>17,860,476</u>	<u>19,299,176</u>
Net position, ending	<u>\$ 17,523,822</u>	<u>\$ 17,860,476</u>

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2014**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)



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

- The increase in unrestricted state aid of \$1.2 million was primarily due to the State's funding formula for District-sponsored charter schools.
- The increase in property tax revenues of \$540,693 due to an increase in property tax rates.
- The \$598,334 increase in expenses for instruction was primarily due to a four percent employee compensation increase during the fiscal year.

The following table presents the cost of the District's major functional activities. The table also shows each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and District's taxpayers by each of these functions.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2014**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Concl'd)

	Year Ended June 30, 2014		Year Ended June 30, 2013	
	Total Expenses	Net (Expense)/ Revenue	Total Expenses	Net (Expense)/ Revenue
Instruction	\$ 9,366,070	\$ (8,509,532)	\$ 8,767,736	\$ 7,987,861
Support services – students and staff	1,071,992	(1,045,612)	1,090,665	1,164,971
Support services – administration	2,014,582	(2,004,228)	1,901,848	1,948,137
Operation and maintenance of plant services	1,501,218	(1,337,825)	1,356,566	1,532,044
Student transportation services	664,236	(664,236)	658,550	731,315
Operation of non-instructional services	767,742	221,174	735,868	758,700
Interest on long-term debt	682,186	(474,822)	702,586	723,586
Total	\$ 16,068,026	\$ (13,815,081)	\$ 15,213,819	\$ 14,846,614

- The cost of all governmental activities this year was \$16.1 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$2.3 million.
- Net cost of governmental activities of \$13.8 million was financed by general revenues, which are made up of primarily property taxes of \$6.6 million and unrestricted state aid of \$6.4 million.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$3.8 million, a decrease of \$201,224.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2014**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS (Concl'd)

The General Fund comprises 65 percent of the total fund balance. The entire \$2.5 million of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District. The General Fund's fund balance decreased \$21,136 to \$2.5 million at the end of the current fiscal year. General fund revenues increased \$1.5 million and General Fund expenditures increased \$310,051

The Joint Technical Education Fund had \$597 in revenues and total expenditures were \$101,944. The Joint Technical Education had a deficit fund balance of \$101,347 at the end of the current fiscal year. Outstanding receivables at year end are expected to eliminate the deficit in fiscal year 2014-15.

BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the General Fund annual expenditure budget to account for student growth. The difference between the original budget and the final amended budget was a \$218,160 increase, or 2 percent.

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

- The favorable variance of \$227,483 in expenses for instruction was a result of the District budgeting for potential expenses relating to the retirement and replacement of senior instructional staff.
- The unfavorable variance of \$210,665 in expenses for operation and maintenance of plant services was a result of unforeseen repair and replacement costs related to the District's facilities, vehicles, and equipment.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2014**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. As of year end, the District had invested \$39.5 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$84,190 from the prior fiscal year. Total depreciation expense for the current fiscal year was \$923,045.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2014 and June 30, 2013.

	As of <u>June 30, 2014</u>	As of <u>June 30, 2013</u>
Capital assets – non-depreciable	\$ 679,272	\$ 679,272
Capital assets – depreciable, net	25,446,654	26,278,286
Total	<u>\$ 26,125,926</u>	<u>\$ 26,957,558</u>

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

Debt Administration. At year end, the District had \$12.4 million in long-term debt outstanding, \$550,000 due within one year. This represents a decrease of \$525,000 from the prior fiscal year.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 30 percent of the total secondary assessed valuation) and the statutory debt limit on Class B bonds (the greater of 10 percent of the total secondary assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$51.2 million which is more than the District's total outstanding general obligation. The Class B debt limit is \$17.1 million.

Additional information on the District's long-term liabilities can be found in Notes 7 and 8.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2014**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2014-15 General Fund budget. Among them:

- Fiscal year 2013-14 budget balance carry forward.
- District student population.
- Employee salary and benefit rates.

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

Expenditures for the adopted budget in the General Fund increased 2 percent to \$12.2 million in fiscal year 2014-15. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2014-15 budget.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business Office; Tanque Verde Unified School District No. 13; 2300 North Tanque Verde Loop, Building #1; Tucson, Arizona 85749.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
STATEMENT OF NET POSITION
JUNE 30, 2014

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 1,805,076
Property taxes receivable	548,394
Accounts receivable	30,408
Due from governmental entities	2,719,288
Total current assets	5,103,166
Noncurrent assets:	
Land	679,272
Land improvements	837,044
Buildings and improvements	32,991,256
Vehicles, furniture and equipment	5,022,426
Accumulated depreciation	(13,404,072)
Total noncurrent assets	26,125,926
Total assets	31,229,092
 <u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	170,294
Accrued payroll and employee benefits	523,611
Compensated absences payable	133,726
Unearned revenues	7,733
Bonds payable	550,000
Total current liabilities	1,385,364
Noncurrent liabilities:	
Non-current portion of long-term obligations	12,319,906
Total noncurrent liabilities	12,319,906
Total liabilities	13,705,270
 <u>NET POSITION</u>	
Net investment in capital assets	13,790,926
Restricted for:	
Voter approved initiatives	82,958
Federal and state projects	254
Food service	54,624
Joint technical education	7,597
Community school	77,287
Auxiliary operations	354,993
Other local initiatives	3,132
Debt service	853,522
Capital outlay	25,915
Unrestricted	2,272,614
Total net position	\$ 17,523,822

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

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2014

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
Instruction	\$ 9,366,070	\$ 450,877	\$ 370,347	\$ 35,314	\$ (8,509,532)
Support services - students and staff	1,071,992		26,380		(1,045,612)
Support services - administration	2,014,582		10,354		(2,004,228)
Operation and maintenance of plant services	1,501,218	9,281	154,112		(1,337,825)
Student transportation services	664,236				(664,236)
Operation of non-instructional services	767,742	793,597	195,319		221,174
Interest on long-term debt	682,186		207,364		(474,822)
Total governmental activities	<u>\$ 16,068,026</u>	<u>\$ 1,253,755</u>	<u>\$ 963,876</u>	<u>\$ 35,314</u>	<u>(13,815,081)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	5,676,670
Property taxes, levied for debt service	937,675
Property taxes, levied for capital outlay	14,205
Investment income	12,343
Unrestricted county aid	479,603
Unrestricted state aid	6,357,931
Total general revenues	<u>13,478,427</u>

Changes in net position (336,654)

Net position, beginning of year 17,860,476

Net position, end of year \$ 17,523,822

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

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FUND FINANCIAL STATEMENTS

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2014

	General	Joint Technical Education	Debt Service
<u>ASSETS</u>			
Cash and investments	\$ 495,216	\$	\$ 716,102
Property taxes receivable	514,656		33,738
Accounts receivable	18,308		
Due from governmental entities	2,256,699	108,944	103,682
Due from other funds	231,809		
Total assets	\$ 3,516,688	\$ 108,944	\$ 853,522
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 88,430	\$	\$
Due to other funds		101,347	
Accrued payroll and employee benefits	487,012		
Unearned revenues			
Total liabilities	575,442	101,347	
Deferred inflows of resources:			
Unavailable revenues - property taxes	466,586		4,158
Unavailable revenues - intergovernmental		108,944	
Total deferred inflows of resources	466,586	108,944	4,158
Fund balances (deficits):			
Restricted			849,364
Unassigned	2,474,660	(101,347)	
Total fund balances	2,474,660	(101,347)	849,364
 Total liabilities, deferred inflows of resources and fund balances	\$ 3,516,688	\$ 108,944	\$ 853,522

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 593,758	\$ 1,805,076
	548,394
12,100	30,408
249,963	2,719,288
	231,809
<u>\$ 855,821</u>	<u>\$ 5,334,975</u>

\$ 81,864	\$ 170,294
130,462	231,809
36,599	523,611
7,733	7,733
<u>256,658</u>	<u>933,447</u>

	470,744
	108,944
	<u>579,688</u>

599,163	1,448,527
	2,373,313
<u>599,163</u>	<u>3,821,840</u>

<u>\$ 855,821</u>	<u>\$ 5,334,975</u>
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TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2014

Total governmental fund balances **\$ 3,821,840**

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Governmental capital assets	\$ 39,529,998	
Less accumulated depreciation	<u>(13,404,072)</u>	26,125,926

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

Property taxes	470,744	
Intergovernmental	<u>108,944</u>	579,688

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

Compensated absences payable	(668,632)	
Bonds payable	<u>(12,335,000)</u>	<u>(13,003,632)</u>

Net position of governmental activities **\$ 17,523,822**

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

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2014

	<u>General</u>	<u>Joint Technical Education</u>	<u>Debt Service</u>
Revenues:			
Other local	\$ 616,819	\$ 597	\$ 1,231
Property taxes	5,574,586		948,367
State aid and grants	5,504,017		
Federal aid, grants and reimbursements			207,364
Total revenues	<u>11,695,422</u>	<u>597</u>	<u>1,156,962</u>
Expenditures:			
Current -			
Instruction	6,994,844	101,944	
Support services - students and staff	843,093		
Support services - administration	1,828,618		
Operation and maintenance of plant services	1,381,789		
Student transportation services	581,861		
Operation of non-instructional services	43,625		
Capital outlay	42,728		
Debt service -			
Principal retirement			525,000
Interest and fiscal charges			682,186
Total expenditures	<u>11,716,558</u>	<u>101,944</u>	<u>1,207,186</u>
Changes in fund balances	<u>(21,136)</u>	<u>(101,347)</u>	<u>(50,224)</u>
Fund balances, beginning of year	2,495,796		899,588
Fund balances, end of year	<u>\$ 2,474,660</u>	<u>\$ (101,347)</u>	<u>\$ 849,364</u>

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 1,150,054	\$ 1,768,701
14,205	6,537,158
859,552	6,363,569
654,244	861,608
<u>2,678,055</u>	<u>15,531,036</u>
1,514,513	8,611,301
207,586	1,050,679
74,101	1,902,719
74,897	1,456,686
5,888	587,749
711,279	754,904
118,308	161,036
	525,000
	682,186
<u>2,706,572</u>	<u>15,732,260</u>
<u>(28,517)</u>	<u>(201,224)</u>
627,680	4,023,064
<u>\$ 599,163</u>	<u>\$ 3,821,840</u>

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2014

Net changes in fund balances - total governmental funds **\$ (201,224)**

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	\$ 91,413	
Less current year depreciation	<u>(923,045)</u>	(831,632)

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

Property taxes	91,392	
Intergovernmental	<u>108,944</u>	200,336

Repayments of long-term bond principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		525,000
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Compensated absence expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		<u>(29,134)</u>
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Changes in net position in governmental activities **\$ (336,654)**

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

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2014

	Agency
<u>ASSETS</u>	
Cash and investments	\$ 116,774
Total assets	\$ 116,774
 <u>LIABILITIES</u>	
Due to student groups	\$ 116,774
Total liabilities	\$ 116,774

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

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

During the year ended June 30, 2014, the District implemented the provisions of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. GASB Statement No. 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

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, component units combined with the District for financial statement presentation purposes, and the District, are 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, and sponsorship of the Tanque Verde Elementary Charter School. The component unit discussed below is included in the District's reporting entity because of the significance of its operational and/or financial relationship with the District.

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Blended Component Unit – Blended component units, although legally separate entities, are, in substance, part of the District's operations. The Tanque Verde Elementary Charter School is a nonprofit organization that provides educational services to students of the District. The school has a five member appointed Board which is comprised of the current Board members of the District. The District is responsible for all financial operations of the School. Separate financial statements are not prepared for the organization.

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 and its component unit. For the most part, the effect of internal activity has been removed from these statements. These statements are to distinguish between the governmental and business-type activities of the District.

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

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

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

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

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

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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

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

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

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

The District reports the following major governmental funds:

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

Joint Technical Education Fund – The Joint Technical Education Fund account for monies received from Joint Technical Education Districts for vocational education programs.

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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.

Additionally, the District reports the following fund type:

Fiduciary Fund – The Fiduciary Fund is an Agency Fund which account for resources held by the District on behalf of others. This fund type includes the Student Activities Fund, which accounts for monies raised by students to finance student clubs and organizations held by the District as an agent.

The Agency Fund is custodial in nature and does not have a measurement focus and is reported on the accrual basis of accounting. The Agency Fund is reported by fund type.

D. Cash and Investments

A.R.S. require the District to deposit all cash with the County Treasurer, except as discussed below. Cash with the County Treasurer is pooled for investment purposes, except for cash of the Debt Service and Bond Building Funds which may be invested separately. Interest earned from investments purchased with pooled monies is allocated to each of the District's funds based on their average balances. All investments are stated at fair value.

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

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

Statute does not include any requirements for credit risk, concentration of credit risk, interest rate risk, or foreign currency risk. Statute requires collateral for deposits of Bond Building and Debt Service Funds monies in interest bearing savings accounts and certificates of deposit at 101 percent of all deposits not covered by federal depository insurance.

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

E. Investment Income

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

F. Receivables and Payables

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

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

G. Property Tax Calendar

Property tax levies are calculated by applying tax rates against both the primary assessed valuation and the secondary assessed valuation. Primary and secondary valuation categories are composed of the exact same properties. However, the primary category limits the increase in property values to 10% from the previous year, while there is no limit to the increase in property values for secondary valuation. Override and debt service tax rates are applied to the secondary assessed valuation and all other tax rates are applied to the primary assessed valuation.

The County levies real property taxes on or before the third Monday in August, which 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. The billings are considered past due after these dates, at which time the applicable property is subject to penalties and interest.

The County also levies various personal property taxes during the year, which are due the second Monday of the month following receipt of the tax notice, and become delinquent 30 days thereafter.

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

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

H. Prepaid Items

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

I. Capital Assets

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

Capital assets are defined by the District as vehicles, furniture and equipment with an initial, individual cost in excess of \$1,000, land and improvements and buildings and improvements with an initial, individual cost in excess of \$3,000 and an estimated useful life of more than one year. Such assets are recorded at historical cost, or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at the estimated fair market value at the date of donation.

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

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

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

J. Deferred Outflows/Inflows of Resources

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

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

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

K. Compensated Absences

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

L. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities on the statement of net position. Bond premiums and discounts, as well as the difference between the reacquisition price and the net carrying amount of the old debt, are deferred and amortized over the life of the bonds using the straight-line method over the term of the related 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.

M. 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.

N. Net Position Flow Assumption

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

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concl'd)

O. 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.

P. New Accounting Pronouncement

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* will be effective for the District's June 30, 2015 fiscal year end. This Statement replaces the requirements of prior GASB standards for pensions accounting and reporting. This Statement requires governments providing defined benefit pensions to recognize the long-term obligation for pension benefits as a liability, and to more comprehensively and comparably measure the annual costs of pension benefits. Each employer participating in a multiple-employer defined benefit pension plan will be required to record a liability representing their "proportionate share" of the plan's total net pension liability. This Statement also enhances accountability and transparency through revised note disclosures and new required supplementary information.

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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

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

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

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

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 2 – FUND BALANCE CLASSIFICATIONS (Concl'd)

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

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

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

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

	General Fund	Joint Technical Education Fund	Debt Service Fund	Non-Major Governmental Funds
Fund Balances:				
Restricted:				
Debt service	\$	\$	\$ 849,364	\$
Capital projects				25,915
Voter approved teacher initiatives				82,958
Food service				54,624
Community school				77,287
Auxiliary operations				354,993
Other purposes				3,386
Unassigned	2,474,660	(101,347)		
Total fund balances	\$ 2,474,660	\$ (101,347)	\$ 849,364	\$ 599,163

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Individual Deficit Fund Balance – At year end, the Joint Technical Education Fund, a major governmental fund, reported a deficit of \$101,347 in fund balance.

The deficit arose because of operations during the year. Additional revenues received in fiscal year 2014-15 are expected to eliminate the deficit.

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

NOTE 4 – CASH AND INVESTMENTS

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure the District's deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District's deposits was \$999,542 and the bank balance was \$985,610.

The State Treasurer's pools are external investment pools, the Local Government Investment Pool (Pool 5) and Local Government Investment Pool-Government (Pool 7), with no regulatory oversight. The pools are not required to register (and are not registered) with the Securities and Exchange Commission. The activity and performance of the pools are reviewed monthly by the State Board of Investment. The fair value of each participant's position in the State Treasurer investment pools approximates the value of the participant's shares in the pool and the participants' shares are not identified with specific investments.

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.

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 4 – CASH AND INVESTMENTS (Concl'd)

At year end, the District's investments consisted of the following.

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer's investment pool	268 days	\$ 901,579
State Treasurer's investment pool 7	19 days	<u>20,729</u>
Total		<u>\$ 922,308</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 pools did not receive a credit quality rating from a national rating agency. The State Treasurer's investment pool 7 had a weighted average rating of AAA at year end as it was invested in obligations of the U.S. Government or obligations guaranteed by the U.S. Government.

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

NOTE 5 – RECEIVABLES

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

	<u>General Fund</u>	<u>Joint Technical Education Fund</u>	<u>Debt Service Fund</u>	<u>Non-Major Governmental Funds</u>
Due from other governmental entities:				
Due from Federal government	\$	\$	\$ 103,682	\$ 141,238
Due from State government	2,256,699			108,725
Due from other districts		108,944		
Net due from governmental entities	<u>\$ 2,256,699</u>	<u>\$ 108,944</u>	<u>\$ 103,682</u>	<u>\$ 249,963</u>

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 6 – CAPITAL ASSETS

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

	Beginning Balance	Increase	Decrease	Ending Balance
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 679,272	\$	\$	\$ 679,272
Total capital assets, not being depreciated	679,272			679,272
Capital assets, being depreciated:				
Land improvements	832,059	4,985		837,044
Buildings and improvements	32,976,644	14,612		32,991,256
Vehicles, furniture and equipment	4,957,833	71,816	7,223	5,022,426
Total capital assets being depreciated	38,766,536	91,413	7,223	38,850,726
Less accumulated depreciation for:				
Land improvements	(404,592)	(24,558)		(429,150)
Buildings and improvements	(8,189,424)	(684,288)		(8,873,712)
Vehicles, furniture and equipment	(3,894,234)	(214,199)	(7,223)	(4,101,210)
Total accumulated depreciation	(12,488,250)	(923,045)	(7,223)	(13,404,072)
Total capital assets, being depreciated, net	26,278,286	(831,632)		25,446,654
Governmental activities capital assets, net	\$ 26,957,558	\$ (831,632)	\$	\$ 26,125,926

Depreciation expense was charged to governmental functions as follows.

Instruction	\$ 702,449
Support services – students and staff	5,860
Support services – administration	90,848
Operation and maintenance of plant services	32,959
Student transportation services	70,374
Operation of non-instructional services	20,555
Total depreciation expense – governmental activities	\$ 923,045

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 7 – GENERAL OBLIGATION BONDS PAYABLE

Bonds payable at year end consisted of the following general obligation bonds. The bonds are callable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt. In addition, a portion of the District’s school improvement bonds are Qualified Build America Bonds (BABS). The District receives a direct subsidy payment from the United States of America for a portion of the interest due on the bonds.

Purpose	Original Amount Issued	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2014	Due Within One Year
Governmental activities:					
School Improvement Bonds, Series 2010 (Class B)	\$ 2,215,000	4.00%	7/1/15	\$ 550,000	\$ 550,000
School Improvement Bonds, Build America, Series 2010 (Class B)	11,785,000	4.153-6.073%	7/1/16-29	<u>11,785,000</u>	
Total				<u>\$ 12,335,000</u>	<u>\$ 550,000</u>

Year ending June 30:	Governmental Activities	
	Principal	Interest
2015	\$ 550,000	\$ 649,436
2016	575,000	626,496
2017	625,000	600,640
2018	675,000	570,953
2019	720,000	537,639
2020-24	4,110,000	2,086,880
2025-29	<u>5,080,000</u>	<u>780,614</u>
Total	<u>\$ 12,335,000</u>	<u>\$ 5,852,658</u>

NOTE 8 – CHANGES IN LONG-TERM LIABILITIES

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable	\$12,860,000	\$	\$ 525,000	\$ 12,335,000	\$ 550,000
Compensated absences payable	<u>639,498</u>	<u>189,865</u>	<u>160,731</u>	<u>668,632</u>	<u>133,726</u>
Governmental activity long-term liabilities	<u>\$13,499,498</u>	<u>\$ 189,865</u>	<u>\$ 685,731</u>	<u>\$ 13,003,632</u>	<u>\$ 683,726</u>

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 9 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At year end, interfund balances were as follows.

Due to/from other funds – At year end, the Joint Technical Education Fund, a major governmental fund, and several non-major governmental funds had negative cash balances of \$101,347 and 130,462, respectively, in the Treasurer’s pooled cash accounts. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing of \$231,809 with the General Fund. All interfund balances are expected to be paid within one year.

NOTE 10 – CONTINGENT LIABILITIES

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

NOTE 11 – RISK MANAGEMENT

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

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

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

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 11 – RISK MANAGEMENT (Concl'd)

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

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

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

The District contributes to the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing, multiple-employer defined benefit pension plan; a cost-sharing, multiple-employer defined health insurance premium plan; and a cost-sharing, multiple-employer defined benefit long-term disability plan that covers employees of the State of Arizona and employees of participating political subdivisions and school districts. The ASRS is governed by the Arizona State Retirement System Board according to the provisions of A.R.S. Title 38, Chapter 5, Article 2.

Plan Description – Benefits are established by state statute and the plan generally provides retirement, long-term disability, and health insurance premium benefits, including death and survivor benefits. The retirement benefits are generally paid at a percentage, based on years of service, of the retirees' average compensation. Long-term disability benefits vary by circumstance, but generally pay a percentage of the employee's monthly compensation. Health insurance premium benefits are paid as a fixed dollar amount per month towards the retiree's healthcare insurance premiums, in amounts based on whether the benefit is for the retiree or for the retiree and his or her dependents.

The ASRS issues a comprehensive annual financial report that includes financial statements and required supplementary information. The most recent report may be obtained by writing the ASRS, 3300 North Central Avenue, P.O. Box 33910, Phoenix, Arizona 85067-3910 or by calling (602) 240-2000 or (800) 621-3778. The report is also available on the ASRS' website at www.azasrs.gov.

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (Concl'd)

Funding Policy – The Arizona State Legislature establishes and may amend active plan members’ and the District’s contribution rates. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.54 percent (11.30 percent for retirement and 0.24 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 11.54 percent (10.70 percent for retirement, 0.60 percent for health insurance premium, and 0.24 percent for long-term disability) of the members’ annual covered payroll.

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

	Retirement Fund	Health Benefit Supplement Fund	Long-Term Disability Fund
Year ending June 30:			
2014	\$ 867,003	\$ 48,617	\$ 19,447
2013	830,929	52,693	19,456
2012	672,223	42,937	16,312

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**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
(Required Supplementary Information)**

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL
YEAR ENDED JUNE 30, 2014**

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other local	\$	\$	\$ 507,407	\$ 507,407
Property taxes			5,574,586	5,574,586
State aid and grants			5,504,017	5,504,017
Total revenues			<u>11,586,010</u>	<u>11,586,010</u>
Expenditures:				
Current -				
Instruction	7,394,674	7,180,110	6,952,627	227,483
Support services - students and staff	859,982	997,561	834,451	163,110
Support services - administration	1,800,436	1,970,885	1,824,536	146,349
Operation and maintenance of plant services	1,044,980	1,170,026	1,380,691	(210,665)
Student transportation services	673,412	673,062	581,861	91,201
Operation of non-instructional services	20,322	20,322	43,625	(23,303)
Total expenditures	<u>11,793,806</u>	<u>12,011,966</u>	<u>11,617,791</u>	<u>394,175</u>
Changes in fund balances	<u>(11,793,806)</u>	<u>(12,011,966)</u>	<u>(31,781)</u>	<u>11,980,185</u>
Fund balances, beginning of year			2,397,189	2,397,189
Fund balances (deficits), end of year	<u>\$ (11,793,806)</u>	<u>\$ (12,011,966)</u>	<u>\$ 2,365,408</u>	<u>\$ 14,377,374</u>

See accompanying notes to this schedule.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
JOINT TECHNICAL EDUCATION
YEAR ENDED JUNE 30, 2014**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	<u>Original & Final</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:			
Other local	\$	\$ 597	\$ 597
Total revenues		<u>597</u>	<u>597</u>
Expenditures:			
Current -			
Instruction	150,000	101,944	48,056
Total expenditures	<u>150,000</u>	<u>101,944</u>	<u>48,056</u>
Changes in fund balances	<u>(150,000)</u>	<u>(101,347)</u>	<u>48,653</u>
Fund balances, beginning of year			
Fund balances (deficits), end of year	<u>\$ (150,000)</u>	<u>\$ (101,347)</u>	<u>\$ 48,653</u>

See accompanying notes to this schedule.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2014**

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 certain activities reported in the General Fund that are budgeted in separate funds in accordance with Arizona Revised Statutes.

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

	<u>Total Expenditures</u>	<u>Fund Balances End of Year</u>
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	\$ 11,716,558	\$ 2,474,660
Activity budgeted as special revenue funds	<u>(98,767)</u>	<u>(109,252)</u>
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	<u>\$ 11,617,791</u>	<u>\$ 2,365,408</u>

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

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GOVERNMENTAL FUNDS

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2014

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Fund</u>
<u>ASSETS</u>			
Cash and investments	\$ 563,081	\$ 30,677	\$ 593,758
Accounts receivable	12,100		12,100
Due from governmental entities	249,963		249,963
Total assets	<u>\$ 825,144</u>	<u>\$ 30,677</u>	<u>\$ 855,821</u>
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 77,102	\$ 4,762	\$ 81,864
Due to other funds	130,462		130,462
Accrued payroll and employee benefits	36,599		36,599
Unearned revenues	7,733		7,733
Total liabilities	<u>251,896</u>	<u>4,762</u>	<u>256,658</u>
Fund balances:			
Restricted	<u>573,248</u>	<u>25,915</u>	<u>599,163</u>
Total fund balances	<u>573,248</u>	<u>25,915</u>	<u>599,163</u>
 Total liabilities and fund balances	 <u>\$ 825,144</u>	 <u>\$ 30,677</u>	 <u>\$ 855,821</u>

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
YEAR ENDED JUNE 30, 2014

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:			
Other local	\$ 1,124,326	\$ 25,728	\$ 1,150,054
Property taxes		14,205	14,205
State aid and grants	822,426	37,126	859,552
Federal aid, grants and reimbursements	654,244		654,244
Total revenues	<u>2,600,996</u>	<u>77,059</u>	<u>2,678,055</u>
Expenditures:			
Current -			
Instruction	1,514,513		1,514,513
Support services - students and staff	207,586		207,586
Support services - administration	74,101		74,101
Operation and maintenance of plant services	74,897		74,897
Student transportation services	5,888		5,888
Operation of non-instructional services	711,279		711,279
Capital outlay	33,310	84,998	118,308
Total expenditures	<u>2,621,574</u>	<u>84,998</u>	<u>2,706,572</u>
Changes in fund balances	<u>(20,578)</u>	<u>(7,939)</u>	<u>(28,517)</u>
Fund balances, beginning of year	593,826	33,854	627,680
Fund balances, end of year	<u>\$ 573,248</u>	<u>\$ 25,915</u>	<u>\$ 599,163</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.

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

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

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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Auxiliary Operations - to account for activity arising from bookstore, athletic and miscellaneous District related operations and activity related to monies collected in support of extracurricular activities to be taken as a tax credit by the tax payer in accordance with A.R.S. §43-1089.01.

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

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

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

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

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

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

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

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

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2014

	Classroom Site	Instructional Improvement	Title I Grants
<u>ASSETS</u>			
Cash and investments	\$ 25	\$ 31	\$
Accounts receivable			
Due from governmental entities	108,590		47,401
Total assets	\$ 108,615	\$ 31	\$ 47,401
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			40,738
Accrued payroll and employee benefits	25,688		6,663
Unearned revenues			
Total liabilities	25,688		47,401
Fund balances:			
Restricted	82,927	31	
Total fund balances	82,927	31	
Total liabilities and fund balances	\$ 108,615	\$ 31	\$ 47,401

<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Promote Informed Parent Choice</u>	<u>Special Education Grants</u>	<u>Vocational Education</u>	<u>E-Rate</u>
\$	\$ 1,775	\$ 11	\$	\$ 521	\$ 254
8,880			84,957		
<u>\$ 8,880</u>	<u>\$ 1,775</u>	<u>\$ 11</u>	<u>\$ 84,957</u>	<u>\$ 521</u>	<u>\$ 254</u>
\$	\$	\$	\$	\$	\$
8,880			80,709 4,248		
	1,775	11		521	
<u>8,880</u>	<u>1,775</u>	<u>11</u>	<u>84,957</u>	<u>521</u>	
					254
					254
<u>\$ 8,880</u>	<u>\$ 1,775</u>	<u>\$ 11</u>	<u>\$ 84,957</u>	<u>\$ 521</u>	<u>\$ 254</u>

(Continued)

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2014

	<u>Other Federal Projects</u>	<u>State Vocational Education</u>	<u>Early Childhood Block Grant</u>
<u>ASSETS</u>			
Cash and investments	\$ 32	\$ 3,535	\$
Accounts receivable			
Due from governmental entities			135
Total assets	<u>\$ 32</u>	<u>\$ 3,535</u>	<u>\$ 135</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			135
Accrued payroll and employee benefits			
Unearned revenues	<u>32</u>	<u>3,535</u>	<u>135</u>
Total liabilities	<u>32</u>	<u>3,535</u>	<u>135</u>
Fund balances:			
Restricted	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balances	<u>\$ 32</u>	<u>\$ 3,535</u>	<u>\$ 135</u>

<u>Other State Projects</u>	<u>Food Service</u>	<u>Civic Center</u>	<u>Community School</u>	<u>Auxiliary Operations</u>	<u>Fingerprint</u>
\$ 1,859	\$ 56,141	\$ 959	\$ 140,772 12,100	\$ 354,993	\$ 1,872
<u>\$ 1,859</u>	<u>\$ 56,141</u>	<u>\$ 959</u>	<u>\$ 152,872</u>	<u>\$ 354,993</u>	<u>\$ 1,872</u>
\$	\$ 1,517	\$	\$ 75,585	\$	\$
<u>1,859</u> <u>1,859</u>	<u>1,517</u>	<u></u>	<u>75,585</u>	<u></u>	<u></u>
<u></u>	<u>54,624</u>	<u>959</u>	<u>77,287</u>	<u>354,993</u>	<u>1,872</u>
<u></u>	<u>54,624</u>	<u>959</u>	<u>77,287</u>	<u>354,993</u>	<u>1,872</u>
<u>\$ 1,859</u>	<u>\$ 56,141</u>	<u>\$ 959</u>	<u>\$ 152,872</u>	<u>\$ 354,993</u>	<u>\$ 1,872</u>

(Continued)

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2014

	Textbooks	Insurance Refund	Grants and Gifts to Teachers
<u>ASSETS</u>			
Cash and investments	\$ 11	\$ 250	\$ 40
Accounts receivable			
Due from governmental entities			
Total assets	\$ 11	\$ 250	\$ 40
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			
Accrued payroll and employee benefits			
Unearned revenues			
Total liabilities			
Fund balances:			
Restricted	11	250	40
Total fund balances	11	250	40
 Total liabilities and fund balances	\$ 11	\$ 250	\$ 40

Totals

\$	563,081
	12,100
	<u>249,963</u>
\$	<u><u>825,144</u></u>

\$	77,102
	130,462
	36,599
	<u>7,733</u>
	<u>251,896</u>

	<u>573,248</u>
	<u>573,248</u>

\$	<u><u>825,144</u></u>
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TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2014

	Classroom Site	Instructional Improvement	Title I Grants
Revenues:			
Other local	\$ 1,533	\$ 358	\$
State aid and grants	736,825	79,963	
Federal aid, grants and reimbursements			96,530
Total revenues	738,358	80,321	96,530
Expenditures:			
Current -			
Instruction	681,248	74,655	96,530
Support services - students and staff	5,221	10,294	
Support services - administration		4,555	
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	686,469	89,504	96,530
Changes in fund balances	51,889	(9,183)	
Fund balances, beginning of year	31,038	9,214	
Fund balances, end of year	\$ 82,927	\$ 31	\$

Professional Development and Technology Grants	Special Education Grants	E-Rate	State Vocational Education	Food Service	Civic Center
\$	\$	\$	\$	\$ 345,050	\$ 7,244
41,626	291,723	29,046	5,638	195,319	
<u>41,626</u>	<u>291,723</u>	<u>29,046</u>	<u>5,638</u>	<u>540,369</u>	<u>7,244</u>
41,626	269,848		4,399		
	21,875		1,239		
		29,046		26,943	
				20,000	15,919
				497,457	
				12,314	19,895
<u>41,626</u>	<u>291,723</u>	<u>29,046</u>	<u>5,638</u>	<u>556,714</u>	<u>35,814</u>
				(16,345)	(28,570)
		254		70,969	29,529
<u>\$</u>	<u>\$</u>	<u>\$ 254</u>	<u>\$</u>	<u>\$ 54,624</u>	<u>\$ 959</u>

(Continued)

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2014

	Community School	Auxiliary Operations	Fingerprint
Revenues:			
Other local	\$ 318,569	\$ 450,212	\$ 1,359
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	318,569	450,212	1,359
Expenditures:			
Current -			
Instruction	196,309	191,156	368
Support services - students and staff	146	127,185	
Support services - administration	30,030	12,573	
Operation and maintenance of plant services	9,932		
Student transportation services	5,888		
Operation of non-instructional services	78,275	135,547	
Capital outlay		1,101	
Total expenditures	320,580	467,562	368
Changes in fund balances	(2,011)	(17,350)	991
Fund balances, beginning of year	79,298	372,343	881
Fund balances, end of year	\$ 77,287	\$ 354,993	\$ 1,872

<u>Textbooks</u>	<u>Insurance Refund</u>	<u>Grants and Gifts to Teachers</u>	<u>Totals</u>
\$	\$ 1	\$	\$ 1,124,326
			822,426
			654,244
	<u>1</u>		<u>2,600,996</u>
			1,514,513
			207,586
			74,101
			74,897
			5,888
			711,279
			33,310
			<u>2,621,574</u>
	<u>1</u>		<u>(20,578)</u>
11	249	40	593,826
<u>\$ 11</u>	<u>\$ 250</u>	<u>\$ 40</u>	<u>\$ 573,248</u>

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2014

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 1,533	\$ 1,533
State aid and grants		736,825	736,825
Federal aid, grants and reimbursements			
Total revenues		<u>738,358</u>	<u>738,358</u>
Expenditures:			
Current -			
Instruction	707,630	681,248	26,382
Support services - students and staff	28,959	5,221	23,738
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>736,589</u>	<u>686,469</u>	<u>50,120</u>
Changes in fund balances	<u>(736,589)</u>	<u>51,889</u>	<u>788,478</u>
Fund balances, beginning of year		31,038	31,038
Fund balances (deficits), end of year	<u>\$ (736,589)</u>	<u>\$ 82,927</u>	<u>\$ 819,516</u>

Instructional Improvement			Title I Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 358	\$ 358	\$	\$	\$
	79,963	79,963			
	<u>80,321</u>	<u>80,321</u>		<u>96,530</u>	<u>96,530</u>
				<u>96,530</u>	<u>96,530</u>
124,602	74,655	49,947	150,000	96,530	53,470
17,181	10,294	6,887			
7,602	4,555	3,047			
<u>149,385</u>	<u>89,504</u>	<u>59,881</u>	<u>150,000</u>	<u>96,530</u>	<u>53,470</u>
<u>(149,385)</u>	<u>(9,183)</u>	<u>140,202</u>	<u>(150,000)</u>		<u>150,000</u>
	9,214	9,214			
<u>\$ (149,385)</u>	<u>\$ 31</u>	<u>\$ 149,416</u>	<u>\$ (150,000)</u>	<u>\$</u>	<u>\$ 150,000</u>

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2014

	Professional Development and Technology Grants		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		41,626	41,626
Total revenues		41,626	41,626
Expenditures:			
Current -			
Instruction			
Support services - students and staff	50,000	41,626	8,374
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	50,000	41,626	8,374
Changes in fund balances	(50,000)		50,000
Fund balances, beginning of year			
Fund balances (deficits), end of year	\$ (50,000)	\$	\$ 50,000

Title IV Grants			Promote Informed Parent Choice		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
\$	\$	\$	\$	\$	\$
10,000		10,000	25,000		25,000
<u>10,000</u>		<u>10,000</u>	<u>25,000</u>		<u>25,000</u>
<u>(10,000)</u>		<u>10,000</u>	<u>(25,000)</u>		<u>25,000</u>
<u>\$ (10,000)</u>	<u>\$</u>	<u>\$ 10,000</u>	<u>\$ (25,000)</u>	<u>\$</u>	<u>\$ 25,000</u>

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2014

	Special Education Grants		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		291,723	291,723
Total revenues		<u>291,723</u>	<u>291,723</u>
Expenditures:			
Current -			
Instruction	323,755	269,848	53,907
Support services - students and staff	26,245	21,875	4,370
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>350,000</u>	<u>291,723</u>	<u>58,277</u>
Changes in fund balances	<u>(350,000)</u>		<u>350,000</u>
Fund balances, beginning of year			
Fund balances (deficits), end of year	<u>\$ (350,000)</u>	<u>\$</u>	<u>\$ 350,000</u>

Johnson O'Malley			Vocational Education		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
\$	\$	\$	\$	\$	\$
50,000		50,000	50,000		50,000
<u>50,000</u>		<u>50,000</u>	<u>50,000</u>		<u>50,000</u>
<u>(50,000)</u>		<u>50,000</u>	<u>(50,000)</u>		<u>50,000</u>
<u>\$ (50,000)</u>	<u>\$</u>	<u>\$ 50,000</u>	<u>\$ (50,000)</u>	<u>\$</u>	<u>\$ 50,000</u>

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2014

	Medicaid Reimbursement		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues			
Expenditures:			
Current -			
Instruction	10,000		10,000
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	10,000		10,000
Changes in fund balances	(10,000)		10,000
Fund balances, beginning of year		67	67
Fund balances (deficits), end of year	\$ (10,000)	\$ 67	\$ 10,067

E-Rate			Other Federal Projects		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	29,046	29,046			
	29,046	29,046			
			200,000		200,000
50,000	29,046	20,954			
50,000	29,046	20,954	200,000		200,000
(50,000)		50,000	(200,000)		200,000
	254	254			
\$ (50,000)	\$ 254	\$ 50,254	\$ (200,000)	\$	\$ 200,000

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2014

	State Vocational Education		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants		5,638	5,638
Federal aid, grants and reimbursements			
Total revenues		<u>5,638</u>	<u>5,638</u>
Expenditures:			
Current -			
Instruction	19,506	4,399	15,107
Support services - students and staff	5,494	1,239	4,255
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>25,000</u>	<u>5,638</u>	<u>19,362</u>
Changes in fund balances	<u>(25,000)</u>		<u>25,000</u>
Fund balances, beginning of year			
Fund balances (deficits), end of year	<u>\$ (25,000)</u>	<u>\$</u>	<u>\$ 25,000</u>

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

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2014

	Chemical Abuse Prevention Programs		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues			
Expenditures:			
Current -			
Instruction	15,000		15,000
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	15,000		15,000
Changes in fund balances	(15,000)		15,000
Fund balances, beginning of year			
Fund balances (deficits), end of year	\$ (15,000)	\$	\$ 15,000

Gifted			Other State Projects		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
25,000		25,000	25,000		25,000
<u>25,000</u>		<u>25,000</u>	<u>25,000</u>		<u>25,000</u>
<u>(25,000)</u>		<u>25,000</u>	<u>(25,000)</u>		<u>25,000</u>
<u>\$ (25,000)</u>	<u>\$</u>	<u>\$ 25,000</u>	<u>\$ (25,000)</u>	<u>\$</u>	<u>\$ 25,000</u>

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2014

	School Plant		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
Revenues:			
Other local	\$	\$ 2,046	\$ 2,046
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>2,046</u>	<u>2,046</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services	8,996	1,098	7,898
Student transportation services			
Operation of non-instructional services			
Capital outlay	41,004	5,005	35,999
Total expenditures	<u>50,000</u>	<u>6,103</u>	<u>43,897</u>
Changes in fund balances	<u>(50,000)</u>	<u>(4,057)</u>	<u>45,943</u>
Fund balances, beginning of year		11,632	11,632
Fund balances (deficits), end of year	<u>\$ (50,000)</u>	<u>\$ 7,575</u>	<u>\$ 57,575</u>

Food Service			Civic Center		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 345,050	\$ 345,050	\$	\$ 7,244	\$ 7,244
	195,319	195,319			
	540,369	540,369		7,244	7,244
25,408	26,943	(1,535)			
18,860	20,000	(1,140)	22,225	15,919	6,306
469,119	497,457	(28,338)			
11,613	12,314	(701)	27,775	19,895	7,880
525,000	556,714	(31,714)	50,000	35,814	14,186
(525,000)	(16,345)	508,655	(50,000)	(28,570)	21,430
	70,969	70,969		29,529	29,529
\$ (525,000)	\$ 54,624	\$ 579,624	\$ (50,000)	\$ 959	\$ 50,959

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2014

	Community School		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 318,569	\$ 318,569
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>318,569</u>	<u>318,569</u>
Expenditures:			
Current -			
Instruction	153,089	196,309	(43,220)
Support services - students and staff	114	146	(32)
Support services - administration	23,418	30,030	(6,612)
Operation and maintenance of plant services	7,745	9,932	(2,187)
Student transportation services	4,592	5,888	(1,296)
Operation of non-instructional services	61,042	78,275	(17,233)
Capital outlay			
Total expenditures	<u>250,000</u>	<u>320,580</u>	<u>(70,580)</u>
Changes in fund balances	<u>(250,000)</u>	<u>(2,011)</u>	<u>247,989</u>
Fund balances, beginning of year		79,298	79,298
Fund balances (deficits), end of year	<u>\$ (250,000)</u>	<u>\$ 77,287</u>	<u>\$ 327,287</u>

Auxiliary Operations			Gifts and Donations		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 450,212	\$ 450,212	\$	\$ 107,366	\$ 107,366
	<u>450,212</u>	<u>450,212</u>		<u>107,366</u>	<u>107,366</u>
204,534	191,156	13,378	66,360	42,217	24,143
136,086	127,185	8,901	13,585	8,642	4,943
13,453	12,573	880	6,415	4,082	2,333
144,749	135,547	9,202			
1,178	1,101	77	13,640	37,723	(24,083)
<u>500,000</u>	<u>467,562</u>	<u>32,438</u>	<u>100,000</u>	<u>92,664</u>	<u>7,336</u>
<u>(500,000)</u>	<u>(17,350)</u>	<u>482,650</u>	<u>(100,000)</u>	<u>14,702</u>	<u>114,702</u>
	372,343	372,343		86,879	86,879
<u>\$ (500,000)</u>	<u>\$ 354,993</u>	<u>\$ 854,993</u>	<u>\$ (100,000)</u>	<u>\$ 101,581</u>	<u>\$ 201,581</u>

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2014

	Fingerprint		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 1,359	\$ 1,359
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>1,359</u>	<u>1,359</u>
Expenditures:			
Current -			
Instruction	10,000	368	9,632
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>10,000</u>	<u>368</u>	<u>9,632</u>
Changes in fund balances	<u>(10,000)</u>	<u>991</u>	<u>10,991</u>
Fund balances, beginning of year		881	881
Fund balances (deficits), end of year	<u>\$ (10,000)</u>	<u>\$ 1,872</u>	<u>\$ 11,872</u>

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

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2014

	Litigation Recovery		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues			
Expenditures:			
Current -			
Instruction	1,000		1,000
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	1,000		1,000
Changes in fund balances	(1,000)		1,000
Fund balances, beginning of year		2	2
Fund balances (deficits), end of year	\$ (1,000)	\$ 2	\$ 1,002

Indirect Costs			Insurance Refund		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 1	\$ 1
				1	1
25,000		25,000	5,000		5,000
<u>25,000</u>		<u>25,000</u>	<u>5,000</u>		<u>5,000</u>
<u>(25,000)</u>		<u>25,000</u>	<u>(5,000)</u>	1	<u>5,001</u>
				249	249
<u>\$ (25,000)</u>	<u>\$</u>	<u>\$ 25,000</u>	<u>\$ (5,000)</u>	<u>\$ 250</u>	<u>\$ 5,250</u>

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2014

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

Totals		
Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 1,233,738	\$ 1,233,738
	822,426	822,426
	654,244	654,244
	<u>2,710,408</u>	<u>2,710,408</u>
2,270,476	1,556,730	713,746
277,664	216,228	61,436
76,296	78,183	(1,887)
107,826	75,995	31,831
4,592	5,888	(1,296)
674,910	711,279	(36,369)
95,210	76,038	19,172
<u>3,506,974</u>	<u>2,720,341</u>	<u>786,633</u>
<u>(3,506,974)</u>	<u>(9,933)</u>	<u>3,497,041</u>
	692,433	692,433
<u>\$ (3,506,974)</u>	<u>\$ 682,500</u>	<u>\$ 4,189,474</u>

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DEBT SERVICE FUND

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

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE
YEAR ENDED JUNE 30, 2014**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Original & Final	Actual	
Revenues:			
Other local	\$	\$ 1,231	\$ 1,231
Property taxes		948,367	948,367
Federal aid, grants and reimbursements		207,364	207,364
Total revenues		<u>1,156,962</u>	<u>1,156,962</u>
Expenditures:			
Debt service -			
Principal retirement	525,000	525,000	
Interest and fiscal charges	690,000	682,186	7,814
Total expenditures	<u>1,215,000</u>	<u>1,207,186</u>	<u>7,814</u>
Changes in fund balances	<u>(1,215,000)</u>	<u>(50,224)</u>	<u>1,164,776</u>
Fund balances, beginning of year		899,588	899,588
Fund balances (deficits), end of year	<u>\$ (1,215,000)</u>	<u>\$ 849,364</u>	<u>\$ 2,064,364</u>

CAPITAL PROJECTS FUNDS

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

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

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

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

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

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

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

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2014

	Unrestricted Capital Outlay	Adjacent Ways	Gifts and Donations - Capital
<u>ASSETS</u>			
Cash and investments	\$ 6,990	\$ 505	\$ 23,081
Total assets	\$ 6,990	\$ 505	\$ 23,081
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 4,762	\$	\$
Total liabilities	4,762		
Fund balances:			
Restricted	2,228	505	23,081
Total fund balances	2,228	505	23,081
 Total liabilities and fund balances	\$ 6,990	\$ 505	\$ 23,081

<u>Condemnation</u>	<u>Emergency Deficiencies Correction</u>	<u>Building Renewal Grant</u>	<u>New School Facilities</u>	<u>Totals</u>
\$ 22	\$ 3	\$ 44	\$ 32	\$ 30,677
<u>\$ 22</u>	<u>\$ 3</u>	<u>\$ 44</u>	<u>\$ 32</u>	<u>\$ 30,677</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 4,762</u>
 	 	 	 	<u>4,762</u>
<u>22</u>	<u>3</u>	<u>44</u>	<u>32</u>	<u>25,915</u>
<u>22</u>	<u>3</u>	<u>44</u>	<u>32</u>	<u>25,915</u>
<u>\$ 22</u>	<u>\$ 3</u>	<u>\$ 44</u>	<u>\$ 32</u>	<u>\$ 30,677</u>

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2014

	Unrestricted Capital Outlay	Adjacent Ways	Gifts and Donations - Capital
Revenues:			
Other local	\$ 2,665	\$ 3	\$ 23,060
Property taxes	14,205		
State aid and grants	37,126		
Total revenues	53,996	3	23,060
Expenditures:			
Capital outlay	84,998		
Total expenditures	84,998		
Changes in fund balances	(31,002)	3	23,060
Fund balances, beginning of year	33,230	502	21
Fund balances, end of year	\$ 2,228	\$ 505	\$ 23,081

<u>Condemnation</u>	<u>Emergency Deficiencies Correction</u>	<u>Building Renewal Grant</u>	<u>New School Facilities</u>	<u>Totals</u>
\$	\$	\$	\$	\$ 25,728
				14,205
				37,126
				<u>77,059</u>
				84,998
				<u>84,998</u>
				(7,939)
22	3	44	32	33,854
<u>\$ 22</u>	<u>\$ 3</u>	<u>\$ 44</u>	<u>\$ 32</u>	<u>\$ 25,915</u>

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2014

	Unrestricted Capital Outlay		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 2,665	\$ 2,665
Property taxes		14,205	14,205
State aid and grants		37,126	37,126
Total revenues		53,996	53,996
Expenditures:			
Capital outlay	86,614	84,998	1,616
Total expenditures	86,614	84,998	1,616
Changes in fund balances	(86,614)	(31,002)	55,612
Fund balances, beginning of year		33,230	33,230
Fund balances (deficits), end of year	\$ (86,614)	\$ 2,228	\$ 88,842

Adjacent Ways			Gifts and Donations - Capital		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 3	\$ 3	\$	\$ 23,060	\$ 23,060
	3	3		23,060	23,060
			50,000		50,000
			50,000		50,000
	3	3	(50,000)	23,060	73,060
	502	502		21	21
<u>\$</u>	<u>\$ 505</u>	<u>\$ 505</u>	<u>\$ (50,000)</u>	<u>\$ 23,081</u>	<u>\$ 73,081</u>

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2014

	Condemnation		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
Property taxes			
State aid and grants			
Total revenues			
Expenditures:			
Capital outlay	500		500
Total expenditures	500		500
Changes in fund balances	(500)		500
Fund balances, beginning of year		22	22
Fund balances (deficits), end of year	\$ (500)	\$ 22	\$ 522

Emergency Deficiencies Correction

Building Renewal Grant

<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
\$	\$	\$	\$	\$	\$
	3	3		44	44
<u>\$</u>	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$</u>	<u>\$ 44</u>	<u>\$ 44</u>

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2014

	New School Facilities		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
Property taxes			
State aid and grants			
Total revenues			
Expenditures:			
Capital outlay			
Total expenditures			
Changes in fund balances			
Fund balances, beginning of year		32	32
Fund balances (deficits), end of year	\$	\$ 32	\$ 32

Totals

Budget	Actual	Variance - Positive (Negative)
\$	\$ 25,728	\$ 25,728
	14,205	14,205
	37,126	37,126
	<u>77,059</u>	<u>77,059</u>
137,114	84,998	52,116
<u>137,114</u>	<u>84,998</u>	<u>52,116</u>
(137,114)	(7,939)	129,175
	33,854	33,854
<u>\$ (137,114)</u>	<u>\$ 25,915</u>	<u>\$ 163,029</u>

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AGENCY FUND

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

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
YEAR ENDED JUNE 30, 2014

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending</u> <u>Balance</u>
<u>STUDENT ACTIVITIES FUND</u>				
<u>Assets</u>				
Cash and investments	\$ <u>107,647</u>	\$ <u>501,325</u>	\$ <u>492,198</u>	\$ <u>116,774</u>
Total assets	\$ <u><u>107,647</u></u>	\$ <u><u>501,325</u></u>	\$ <u><u>492,198</u></u>	\$ <u><u>116,774</u></u>
<u>Liabilities</u>				
Due to student groups	\$ <u>107,647</u>	\$ <u>501,325</u>	\$ <u>492,198</u>	\$ <u>116,774</u>
Total liabilities	\$ <u><u>107,647</u></u>	\$ <u><u>501,325</u></u>	\$ <u><u>492,198</u></u>	\$ <u><u>116,774</u></u>

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.

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

	Fiscal Year Ended June 30				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Net Position:					
Net investment in capital assets	\$ 13,790,926	\$ 13,587,558	\$ 13,927,904	\$ 10,685,283	\$ 9,639,277
Restricted	1,460,282	1,542,118	1,485,356	1,677,711	1,409,409
Unrestricted	2,272,614	2,730,800	3,885,916	4,556,263	6,353,513
Total net position	\$ 17,523,822	\$ 17,860,476	\$ 19,299,176	\$ 16,919,257	\$ 17,402,199
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Net Position:					
Net investment in capital assets	\$ 10,193,084	\$ 8,394,898	\$ 7,610,523	\$ 6,848,561	\$ 6,382,401
Restricted	1,782,334	1,493,586	766,493	657,227	511,866
Unrestricted	4,309,304	5,763,809	4,992,270	4,478,249	3,593,181
Total net position	\$ 16,284,722	\$ 15,652,293	\$ 13,369,286	\$ 11,984,037	\$ 10,487,448

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

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

	Fiscal Year Ended June 30				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Expenses					
Instruction	\$ 9,366,070	\$ 8,767,736	\$ 7,987,861	\$ 7,352,384	\$ 6,734,215
Support services - students and staff	1,071,992	1,090,665	1,164,971	1,128,476	1,136,111
Support services - administration	2,014,582	1,901,848	1,948,137	1,901,768	1,680,781
Operation and maintenance of plant services	1,501,218	1,356,566	1,532,044	1,164,884	1,078,542
Student transportation services	664,236	658,550	731,315	710,209	633,464
Operation of non-instructional services	767,742	735,868	758,700	651,310	517,588
Interest on long-term debt	682,186	702,586	723,586	932,029	60,124
Total expenses	<u>16,068,026</u>	<u>15,213,819</u>	<u>14,846,614</u>	<u>13,841,060</u>	<u>11,840,825</u>
Program Revenues					
Charges for services:					
Instruction	450,877	498,080	399,354	506,574	320,529
Operation of non-instructional services	793,597	754,893	719,384	690,668	480,402
Other activities	9,281	20,507	24,632	275	108,670
Operating grants and contributions	963,876	805,290	1,257,574	1,256,895	1,084,317
Capital grants and contributions	35,314	63,798	3,814,031	27,437	15,363
Total program revenues	<u>2,252,945</u>	<u>2,142,568</u>	<u>6,214,975</u>	<u>2,481,849</u>	<u>2,009,281</u>
Net (Expense)/Revenue	<u>\$ (13,815,081)</u>	<u>\$ (13,071,251)</u>	<u>\$ (8,631,639)</u>	<u>\$ (11,359,211)</u>	<u>\$ (9,831,544)</u>

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Expenses					
Instruction	\$ 7,762,695	\$ 7,686,593	\$ 7,445,761	\$ 7,754,453	\$ 8,312,030
Support services - students and staff	1,138,342	1,162,706	986,463	845,771	864,158
Support services - administration	1,525,808	1,555,981	1,569,113	1,323,410	1,291,608
Operation and maintenance of plant services	1,213,598	1,314,067	1,280,082	1,030,897	882,468
Student transportation services	637,986	720,856	763,859	635,004	596,326
Operation of non-instructional services	547,764	587,168	461,551	392,809	414,324
Interest on long-term debt	110,315	159,664	214,322	266,297	320,805
Total expenses	<u>12,936,508</u>	<u>13,187,035</u>	<u>12,721,151</u>	<u>12,248,641</u>	<u>12,681,719</u>
Program Revenues					
Charges for services:					
Instruction	191,023	229,463	145,034	265,273	245,943
Operation of non-instructional services	103,428	422,470	555,437	508,082	507,822
Other activities	450,367	100,830	20,260	16,006	106,342
Operating grants and contributions	933,630	865,536	440,734	455,424	406,917
Capital grants and contributions	21,497	35,340	12,000		
Total program revenues	<u>1,699,945</u>	<u>1,653,639</u>	<u>1,173,465</u>	<u>1,244,785</u>	<u>1,267,024</u>
Net (Expense)/Revenue	<u>\$ (11,236,563)</u>	<u>\$ (11,533,396)</u>	<u>\$ (11,547,686)</u>	<u>\$ (11,003,856)</u>	<u>\$ (11,414,695)</u>

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

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

	Fiscal Year Ended June 30				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Net (Expense)/Revenue	\$ (13,815,081)	\$ (13,071,251)	\$ (8,631,639)	\$ (11,359,211)	\$ (9,831,544)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	5,676,670	5,067,886	5,084,933	4,619,548	4,626,466
Property taxes, levied for debt service	937,675	1,005,109	1,031,717	1,172,518	918,273
Property taxes, levied for capital outlay	14,205	14,862	117	2,965	
Investment income	12,343	30,630	24,835	46,539	89,188
Unrestricted county aid	479,603	336,894	244,435	202,339	194,609
Unrestricted state aid	6,357,931	5,177,170	4,625,521	4,491,717	4,405,999
Unrestricted federal aid				340,643	714,486
Total general revenues	<u>13,478,427</u>	<u>11,632,551</u>	<u>11,011,558</u>	<u>10,876,269</u>	<u>10,949,021</u>
Changes in Net Position	<u>\$ (336,654)</u>	<u>\$ (1,438,700)</u>	<u>\$ 2,379,919</u>	<u>\$ (482,942)</u>	<u>\$ 1,117,477</u>

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Net (Expense)/Revenue	\$ (11,236,563)	\$ (11,533,396)	\$ (11,547,686)	\$ (11,003,856)	\$ (11,414,695)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	5,378,968	5,763,693	5,537,815	5,316,474	4,795,869
Property taxes, levied for debt service	1,134,293	1,784,578	1,273,146	1,169,000	1,148,757
Property taxes, levied for capital outlay	388,769	261,272	321,409	233,665	156,498
Investment income	125,772	273,152	290,678	203,762	104,662
Unrestricted county aid	2,613		2,408	215,332	225,929
Unrestricted state aid	4,838,577	5,733,708	5,507,479	5,362,212	5,144,888
Unrestricted federal aid					(3,924,826)
Total general revenues	<u>11,868,992</u>	<u>13,816,403</u>	<u>12,932,935</u>	<u>12,500,445</u>	<u>7,651,777</u>
Changes in Net Position	<u>\$ 632,429</u>	<u>\$ 2,283,007</u>	<u>\$ 1,385,249</u>	<u>\$ 1,496,589</u>	<u>\$ (3,762,918)</u>

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

- Note:** 1) The Arizona State Legislature suspended county equalization payments to school districts for fiscal years 2006-07 through 2008-09.
2) The decrease in net assets for the fiscal year ended June 30, 2005 is due to the special item - loss on sale of land. A settlement in October 2004 resulted in the return of approximately \$3.0 million to the Arizona School Facilities Board.

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

	Fiscal Year Ended June 30				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
General Fund:					
Nonspendable	\$	\$	\$	\$ 203,440	\$
Unassigned	2,474,660	2,495,796	3,707,704	4,616,782	
Reserved					104,348
Unreserved					4,169,785
Total General Fund	<u>\$ 2,474,660</u>	<u>\$ 2,495,796</u>	<u>\$ 3,707,704</u>	<u>\$ 4,820,222</u>	<u>\$ 4,274,133</u>
All Other Governmental Funds:					
Restricted	\$ 1,448,527	\$ 1,527,268	\$ 1,468,385	\$ 4,107,461	\$
Unassigned	(101,347)				
Unreserved, reported in:					
Special revenue funds					1,180,953
Capital projects funds					14,627,820
Debt service fund					438,653
Total all other governmental funds	<u>\$ 1,347,180</u>	<u>\$ 1,527,268</u>	<u>\$ 1,468,385</u>	<u>\$ 4,107,461</u>	<u>\$ 16,247,426</u>

(Continued)

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
General Fund:					
Reserved	\$ 27,481	\$ 41,826	\$ 39,041	\$ 182,275	\$ 71,698
Unreserved	3,565,116	3,094,754	2,067,602	1,488,921	1,309,269
Total General Fund	<u>\$ 3,592,597</u>	<u>\$ 3,136,580</u>	<u>\$ 2,106,643</u>	<u>\$ 1,671,196</u>	<u>\$ 1,380,967</u>
All Other Governmental Funds:					
Reserved	\$ 5,061	\$ 6,368	\$ 15,184	\$ 14,234	\$ 12,529
Unreserved, reported in:					
Special revenue funds	1,086,900	1,833,467	2,204,896	2,206,728	1,817,656
Capital projects funds	1,050,592	688,542	544,164	527,400	362,084
Debt service fund	688,342	593,694	170,303	97,033	127,607
Total all other governmental funds	<u>\$ 2,830,895</u>	<u>\$ 3,122,071</u>	<u>\$ 2,934,547</u>	<u>\$ 2,845,395</u>	<u>\$ 2,319,876</u>

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

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

(Concluded)

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

	Fiscal Year Ended June 30				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Federal sources:					
Federal grants	\$ 666,289	\$ 627,299	\$ 803,248	\$ 1,393,012	\$ 650,149
State Fiscal Stabilization (ARRA)				85,945	714,486
Education Jobs			150,475		
National School Lunch Program	195,319	183,383	150,126	139,300	117,030
Total federal sources	<u>861,608</u>	<u>810,682</u>	<u>1,103,849</u>	<u>1,618,257</u>	<u>1,481,665</u>
State sources:					
State equalization assistance	5,541,143	4,671,239	4,119,965	4,066,132	3,856,443
State grants	5,638	1,024	10,687	558,364	4,427
School Facilities Board		57,382	3,799,345		
Other revenues	816,788	505,931	505,556	1,956	421,539
Total state sources	<u>6,363,569</u>	<u>5,235,576</u>	<u>8,435,553</u>	<u>4,626,452</u>	<u>4,282,409</u>
Local sources:					
Property taxes	6,537,158	6,094,262	5,865,771	5,794,132	5,598,296
County aid	479,603	336,894	244,435	202,339	194,609
Food service sales	344,596	355,780	350,232	362,348	369,979
Investment income	12,343	30,630	24,835	46,539	89,188
Other revenues	932,159	917,700	950,862	835,169	867,696
Total local sources	<u>8,305,859</u>	<u>7,735,266</u>	<u>7,436,135</u>	<u>7,240,527</u>	<u>7,119,768</u>
Total revenues	<u><u>\$ 15,531,036</u></u>	<u><u>\$ 13,781,524</u></u>	<u><u>\$ 16,975,537</u></u>	<u><u>\$ 13,485,236</u></u>	<u><u>\$ 12,883,842</u></u>

(Continued)

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Federal sources:					
Federal grants	\$ 462,687	\$ 382,909	\$ 333,402	\$ 364,319	\$ 334,532
National School Lunch Program	95,996	82,250	90,313	82,681	80,054
Total federal sources	<u>558,683</u>	<u>465,159</u>	<u>423,715</u>	<u>447,000</u>	<u>414,586</u>
State sources:					
State equalization assistance	4,412,569	4,911,590	4,884,632	4,741,265	4,626,397
State grants	15,801	23,062	17,019	91,802	4,994
School Facilities Board		49,682	99,359	79,462	76,861
Other revenues	470,711	747,023	523,488	458,107	501,102
Total state sources	<u>4,899,081</u>	<u>5,731,357</u>	<u>5,524,498</u>	<u>5,370,636</u>	<u>5,209,354</u>
Local sources:					
Property taxes	7,184,854	7,554,479	7,080,927	6,669,080	6,215,025
County aid	2,613		2,408	215,332	225,929
Food service sales	357,958	339,407	248,476	267,164	287,422
Investment income	125,776	273,152	290,678	203,762	104,662
Other revenues	748,209	844,528	454,624	522,197	572,685
Total local sources	<u>8,419,410</u>	<u>9,011,566</u>	<u>8,077,113</u>	<u>7,877,535</u>	<u>7,405,723</u>
Total revenues	<u>\$ 13,877,174</u>	<u>\$ 15,208,082</u>	<u>\$ 14,025,326</u>	<u>\$ 13,695,171</u>	<u>\$ 13,029,663</u>

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

Note: The Arizona State Legislature suspended county equalization payments to school districts for fiscal years 2006-07 through 2008-09.

(Concluded)

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

	Fiscal Year Ended June 30				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Expenditures:					
Current -					
Instruction	\$ 8,611,301	\$ 8,077,648	\$ 7,246,054	\$ 6,789,084	\$ 6,094,038
Support services - students and staff	1,050,679	1,081,336	1,142,045	1,095,676	1,126,222
Support services - administration	1,902,719	1,781,396	1,833,652	1,761,103	1,652,044
Operation and maintenance of plant services	1,456,686	1,320,272	1,288,065	1,210,658	1,123,431
Student transportation services	587,749	577,018	631,667	618,369	545,268
Operation of non-instructional services	754,904	713,944	734,828	632,312	483,339
Capital outlay	161,036	170,349	6,503,794	11,928,973	613,115
Debt service -					
Interest and fiscal charges	682,186	702,586	723,586	932,029	56,475
Principal retirement	525,000	510,000	420,000	210,000	1,160,000
Bond issuance costs					203,800
Total expenditures	<u><u>\$ 15,732,260</u></u>	<u><u>\$ 14,934,549</u></u>	<u><u>\$ 20,523,691</u></u>	<u><u>\$ 25,178,204</u></u>	<u><u>\$ 13,057,732</u></u>
Expenditures for capitalized assets	\$ 91,413	\$ 148,442	\$ 6,378,149	\$ 11,770,328	\$ 475,506
Debt service as a percentage of noncapital expenditures	8%	8%	8%	9%	11%

(Continued)

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Expenditures:					
Current -					
Instruction	\$ 7,113,082	\$ 6,918,375	\$ 6,773,719	\$ 7,197,018	\$ 7,540,786
Support services - students and staff	1,118,350	1,151,946	926,638	815,654	803,555
Support services - administration	1,493,891	1,474,986	1,464,535	1,249,109	1,227,776
Operation and maintenance of plant services	1,094,962	1,245,946	1,102,254	1,099,973	834,564
Student transportation services	565,153	586,868	614,691	562,896	487,316
Operation of non-instructional services	532,602	559,977	439,499	368,074	396,245
Capital outlay	519,770	826,828	817,785	482,684	333,049
Debt service -					
Claims and judgements	38,556				
Interest and fiscal charges	110,315	159,664	214,322	266,297	320,805
Principal retirement	1,110,000	1,060,000	1,005,000	950,000	885,000
Bond issuance costs					
Total expenditures	<u>\$ 13,696,681</u>	<u>\$ 13,984,590</u>	<u>\$ 13,358,443</u>	<u>\$ 12,991,705</u>	<u>\$ 12,829,096</u>
Expenditures for capitalized assets	\$ 242,086	\$ 521,475	\$ 440,972	\$ 206,975	\$ 105,375
Debt service as a percentage of noncapital expenditures	9%	9%	9%	10%	9%

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

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

	Fiscal Year Ended June 30				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Excess (deficiency) of revenues over expenditures	\$ (201,224)	\$ (1,153,025)	\$ (3,548,154)	\$ (11,692,968)	\$ (173,890)
Other financing sources (uses):					
Issuance of school improvement bonds					14,000,000
Premium on sale of bonds					200,151
Transfers in		1,684	5,702	16,805	37,720
Transfers out		(1,684)	(5,702)	(16,805)	(37,720)
Total other financing sources (uses)		(1,684)	(5,702)	(16,805)	14,200,151
Changes in fund balances	\$ (201,224)	\$ (1,153,025)	\$ (3,548,154)	\$ (11,692,968)	\$ 14,026,261
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Excess (deficiency) of revenues over expenditures	\$ 180,493	\$ 1,223,492	\$ 666,883	\$ 703,466	\$ 200,567
Other financing sources (uses):					
Transfers in	205,748	1,427	1,783	1,782	18,085
Transfers out	(205,748)	(1,427)	(1,783)	(1,782)	(18,085)
Total other financing sources (uses)		(1,427)	(1,783)	(1,782)	(18,085)
Changes in fund balances	\$ 180,493	\$ 1,223,492	\$ 666,883	\$ 703,466	\$ 200,567

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

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
PRIMARY ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<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	\$ 6,174,230	\$ 6,167,792	\$ 6,240,606	\$ 6,150,101	\$ 7,178,113
Agricultural and Vacant	21,481,242	24,784,313	27,443,331	29,604,611	28,972,009
Residential (Owner Occupied)	134,604,074	145,580,914	161,144,061	179,734,775	178,059,958
Residential (Rental)	7,841,097	7,546,474	4,498,664	4,792,568	4,114,000
Historical Property	51,706	55,623	57,482	59,414	57,243
Certain Government Property Improvements			9,435		
Total	\$ 170,152,349	\$ 184,135,116	\$ 199,393,579	\$ 220,341,469	\$ 218,381,323
Estimated Actual Value (Full Cash Value)	\$ 1,728,748,371	\$ 1,861,329,633	\$ 2,003,464,671	\$ 2,235,227,040	\$ 2,324,387,909
Ratio of Primary Assessed Value to Estimated Actual Value	9.84%	9.89%	9.95%	9.86%	9.40%

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Commercial, Industrial, Utilities and Mining	\$ 7,444,314	\$ 7,423,812	\$ 7,057,463	\$ 7,035,421	\$ 7,514,458
Agricultural and Vacant	25,926,129	22,168,604	19,408,417	15,812,373	16,115,601
Residential (Owner Occupied)	162,264,230	142,425,872	125,963,607	104,766,219	113,761,950
Residential (Rental)	3,469,371	3,272,474	2,869,395	2,272,615	2,356,652
Historical Property	52,186	47,424	42,559	17,778	19,556
Total	\$ 199,156,230	\$ 175,338,186	\$ 155,341,441	\$ 129,904,406	\$ 139,768,217
Estimated Actual Value (Full Cash Value)	\$ 1,943,053,074	\$ 1,975,056,876	\$ 1,640,754,290	\$ 1,407,367,659	\$ 1,382,500,818
Ratio of Primary Value to Estimated Actual Value	10.25%	8.88%	9.47%	9.23%	10.11%

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

Note: The primary assessed value generates revenues for general District operations.

TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
SECONDARY ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<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	\$ 6,306,055	\$ 6,183,034	\$ 6,334,940	\$ 6,371,777	\$ 7,481,560
Agricultural and Vacant	21,681,196	25,334,411	28,827,259	34,734,376	37,914,344
Residential (Owner Occupied)	134,725,227	145,689,889	161,412,859	181,495,989	189,234,195
Residential (Rental)	7,944,854	7,614,102	4,506,267	4,846,850	4,406,724
Historical Property	<u>52,419</u>	<u>56,623</u>	<u>66,917</u>	<u>60,029</u>	<u>61,884</u>
Total	<u>\$ 170,709,751</u>	<u>\$ 184,878,059</u>	<u>\$ 201,148,242</u>	<u>\$ 227,509,021</u>	<u>\$ 239,098,707</u>
Ratio of Secondary Assessed Value to Estimated Actual Value	9.87%	9.93%	10.04%	10.18%	10.29%

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Commercial, Industrial, Utilities and Mining	\$ 8,075,955	\$ 7,580,440	\$ 7,189,411	\$ 7,531,358	\$ 7,398,023
Agricultural and Vacant	38,602,352	31,645,592	26,701,611	18,168,276	17,756,387
Residential (Owner Occupied)	187,616,164	160,592,930	132,887,737	141,734,509	108,125,292
Residential (Rental)	4,078,632	3,793,117	3,139,078	2,447,681	2,358,909
Historical Property	<u>60,823</u>	<u>58,048</u>	<u>48,650</u>	<u>21,392</u>	<u>18,585</u>
Total	<u>\$ 238,433,926</u>	<u>\$ 203,670,127</u>	<u>\$ 169,966,487</u>	<u>\$ 169,903,216</u>	<u>\$ 135,657,196</u>
Ratio of Secondary Assessed Value to Estimated Actual Value	12.27%	10.31%	10.36%	12.07%	9.81%

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

Note: The secondary assessed value generates revenues to service District bonded debt requirements and other voter-approved overrides.

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

<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

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Commercial, Industrial, Utilities and Mining	23 %	24 %	25 %	25 %	25 %
Agricultural and Vacant	16	16	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	20	21	22	21	21

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

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

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

Fiscal Year Ended June 30	Overlapping Rates										District Direct Rates		
	State Equalization	County	County Free Library	Flood Control District	Community College District	Fire District Assistance	Central Arizona Water	City of Tucson	Pima County JTED	Tanque Verde Valley F.D.	Primary	Secondary	Total
	2014	0.51	4.45	0.38	0.26	1.29	0.05	0.14	1.43	0.05	1.41	3.80	1.20
2013	0.47	4.20	0.35	0.26	1.17	0.04	0.10	1.26	0.05	1.26	3.00	1.15	4.15
2012	0.43	4.20	0.35	0.26	1.11	0.04	0.10	1.16	0.05	1.15	2.72	1.08	3.80
2011	0.36	4.06	0.31	0.26	1.08	0.04	0.10	0.96	0.05	1.27	2.37	0.98	3.35
2010	0.33	4.02	0.26	0.26	1.08	0.04	0.10	0.93	0.05	1.16	2.37	0.81	3.18
2009		4.00	0.34	0.29	1.14	0.04	0.10	0.96	0.05	1.26	3.42	0.95	4.37
2008		4.29	0.40	0.34	1.18	0.04	0.10	1.13	0.05	1.37	3.78	1.32	5.10
2007		4.56	0.37	0.37	1.25	0.04	0.12	1.23			4.09	1.39	5.48
2006		4.79	0.26	0.37	1.31	0.04	0.12	1.24			4.25	1.54	5.79
2005		4.89	0.21	0.35	1.34	0.04	0.12	1.18			4.03	1.63	5.66

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

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

Taxpayer	2014		2005	
	Secondary Assessed Valuation	Percentage of District's Net Assessed Valuation	Secondary Assessed Valuation	Percentage of District's Net Assessed Valuation
Unisource Energy Group	2,862,818	1.68 %	\$ 1,763,544	1.30 %
Southwest Gas Company	1,159,605	0.68	1,315,875	0.97
Arizona Sunshine Ranches	1,038,515	0.61	2,211,212	1.63
Landmark Title	613,556	0.36		
Lunt Anthony John	516,830	0.30	296,645	
Quest Communications	469,017	0.27	1,939,898	1.43
MPL communications, Inc.	387,214	0.23	434,103	0.32
Regina Revoc Living	346,708	0.20		
Macco LLC	304,782	0.18		
Reay Gordon & Lois Family	281,359	0.16		
49er Country Club			271,314	0.20
Lawyers Title of AZ			450,570	0.33
Almquist Family		0.00	218,622	0.16
Fidelity National Title		0.00	208,630	0.15
		0.00		-
	<u>\$ 7,980,404</u>	<u>4.67 %</u>	<u>\$ 9,110,413</u>	<u>6.50 %</u>

Source: The source of this information is the Pima County Assessor's records.

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

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Fiscal Years	Collected to the End of the Current Fiscal Year	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	\$ 6,614,750	\$ 6,360,489	96.16 %		\$ 6,360,489	96.16 %
2013	6,005,212	5,788,261	96.39	179,551	5,967,812	99.38
2012	5,929,011	5,711,044	96.32	216,370	5,927,414	99.97
2011	5,814,400	5,595,553	96.24	217,813	5,813,366	99.98
2010	5,533,500	5,303,895	95.85	228,413	5,532,308	99.98
2009	7,225,380	6,880,902	95.23	344,453	7,225,355	100.00
2008	7,530,783	6,931,228	92.04	599,531	7,530,759	100.00
2007	7,095,240	6,840,635	96.41	254,586	7,095,221	100.00
2006	6,708,575	6,473,472	96.50	235,083	6,708,555	100.00
2005	6,181,000	5,990,861	96.92	190,139	6,181,000	100.00

Source: The source of this information is the 2014 Pima County Treasurer's records.

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

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

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	General Obligation Bonds					Total Outstanding Debt				
	General Obligation Bonds	Less: Amounts Restricted for Principal	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Capital Leases	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Percentage of Personal Income
2014	\$ 12,335,000	\$ 853,522	11,481,478	0.66 %	\$ 820	\$	\$ 12,335,000	0.71 %	\$ 881	N/A %
2013	13,370,000	914,438	12,455,562	0.67	890		13,370,000	0.72	955	0.04
2012	13,790,000	890,156	12,899,844	0.64	921		13,790,000	0.69	985	0.04
2011	14,000,000	776,359	13,223,641	0.59	945		14,000,000	0.63	1,000	0.04
2010	15,160,000	459,928	14,700,072	0.63	1,050		15,160,000	0.65	1,083	0.04
2009	2,270,000	721,445	1,548,555	0.08	155		2,270,000	0.12	227	0.01
2008	3,330,000	797,846	2,532,154	0.13	253		3,330,000	0.17	333	0.01
2007	4,335,000	211,638	4,123,362	0.25	412		4,335,000	0.26	434	0.01
2006	5,285,000	123,953	5,161,047	0.37	430		5,285,000	0.38	440	0.02
2005	6,170,000		6,170,000	0.45	514		6,170,000	0.45	514	0.02

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

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

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2014**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to School District</u>	<u>Estimated Amount Applicable to School District</u>
Overlapping:			
Pima County	\$ 1,348,889,696	2.26 %	\$ 30,484,907
Pima College District	1,335,000	2.26	<u>30,171</u>
Subtotal, Overlapping Debt			<u>30,515,078</u>
Direct:			
Tanque Verde Unified School District No. 13		100.00	<u>12,335,000</u>
Total Direct and Overlapping Governmental Activities Debt			<u><u>\$ 42,850,078</u></u>

DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Secondary Assessed Valuation		6.73 %
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 3,000	
As a Percentage of Net Secondary Assessed Valuation		24.60 %
As a Percentage of Estimated Actual Value (Full Cash Value)		2.43 %

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 the District's secondary assessed valuation as a percentage of the secondary assessed valuation of the overlapping jurisdiction.
 - 2) Outstanding debt as of June 30, 2013 is presented for the overlapping governments as this is the most recent available information.

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

Class B Bond Legal Debt Margin Calculation for Fiscal Year 2014:

Secondary assessed valuation	\$ 170,709,751
Debt limit (10% of assessed value)	17,070,975
Debt applicable to limit	<u>12,335,000</u>
Legal debt margin	<u>\$ 4,735,975</u>

Total Legal Debt Margin Calculation for Fiscal Year 2013:

Secondary assessed valuation	\$ 170,709,751
Debt limit (30% of assessed value)	51,212,925
Debt applicable to limit	<u>12,335,000</u>
Legal debt margin	<u>\$ 38,877,925</u>

Fiscal Year Ended June 30

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Debt Limit	\$ 51,212,925	\$ 55,463,418	\$ 60,344,473	\$ 68,252,706	\$ 71,729,612
Total net debt applicable to limit	<u>12,335,000</u>	<u>13,370,000</u>	<u>13,790,000</u>	<u>14,000,000</u>	<u>15,160,000</u>
Legal debt margin	<u>\$ 38,877,925</u>	<u>\$ 42,093,418</u>	<u>\$ 46,554,473</u>	<u>\$ 54,252,706</u>	<u>\$ 56,569,612</u>
Total net debt applicable to the limit as a percentage of debt limit	24%	24%	23%	21%	21%
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Debt Limit	\$ 71,530,178	\$ 61,101,038	\$ 50,989,946	\$ 50,970,965	\$ 40,697,159
Total net debt applicable to limit	<u>2,270,000</u>	<u>3,330,000</u>	<u>4,335,000</u>	<u>5,285,000</u>	<u>6,170,000</u>
Legal debt margin	<u>\$ 69,260,178</u>	<u>\$ 57,771,038</u>	<u>\$ 46,654,946</u>	<u>\$ 45,685,965</u>	<u>\$ 34,527,159</u>
Total net debt applicable to the limit as a percentage of debt limit	3%	5%	9%	10%	15%

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

- Notes:** 1) The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds and the statutory debt limit on Class B bonds. The calculations of the debt margins are presented in detail for the current fiscal year only.
- 2) Bond premium is not subject to the statutory debt limit.

**TANQUE VERDE UNIFIED SCHOOL DISTRICT NO. 13
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS**

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands)</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>	<u>Estimated District Population</u>
2013	996,554	\$ N/A	\$ N/A	7.0 %	14,000
2012	992,394	35,813,670	35,371	7.2	14,000
2011	986,081	36,058,871	36,335	9.1	14,000
2010	980,263	34,360,759	34,987	9.0	14,000
2009	1,018,012	34,516,424	33,833	8.3	14,000
2008	1,012,018	34,392,945	34,058	5.1	10,000
2007	1,003,235	31,646,777	31,755	3.8	10,000
2006	981,280	29,806,619	31,418	4.0	10,000
2005	957,635	26,703,829	28,869	4.6	12,000
2004	931,835	24,697,472	27,244	4.6	12,000

Sources: The source of the "Personal Income" and "Per Capita" information is the Bureau of Economic Analysis. The source of the "Population" and "Unemployment Rate" information from 2003 through 2010 is the University of Arizona, Eller College of Management, Economic and Business Research Center. For 2011 through 2013, the source of the information is the Arizona Office of Employment and Population Statistics.

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

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

<u>Employer</u>	<u>2014</u>		<u>2005</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
University of Arizona	11,047	2.63 %	10,282	2.46 %
Raytheon Missile Systems	9,933	2.37	10,756	2.57
State of Arizona	9,439	2.25	9,742	2.33
Davis Monthan AFB	8,933	2.13	8,233	1.97
Pima County	7,328	1.75		
Tucson Unified School District	5,638	1.34	7,623	1.82
University of Arizona Health Network	6,329	1.51		
Fort Huachuca	5,717	1.36	13,098	3.13
Freeport-McMoran Mining	5,600	1.33		
Wal-Mart Stores, Inc.	5,200	1.24	4,980	1.19
City of Tucson	4,845	1.15	5,306	1.27
Tohono O'odham Nation	4,350	1.04		
US Border Patrol	4,135	0.98		
Carondelet Health Network	3,476	0.83	3,751	0.90
Tucson Medical Center	2,954	0.70	2,800	0.67
Total	<u>94,924</u>	<u>22.61 %</u>	<u>76,571</u>	<u>18.31 %</u>
Total employment	<u>419,900</u>		<u>418,111</u>	

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

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

	Full-time Equivalent Employees as of June 30				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Supervisory					
Consultants/supervisors of instruction	4	4	4	4	4
Principals	4	4	4	4	4
Assistant principals	1	1	1	1	1
Total supervisory	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>
Instruction					
Teachers	128	124	116	109	105
Other professionals (instructional)	1	1	1	1	1
Aides	49	47	46	44	40
Total instruction	<u>178</u>	<u>172</u>	<u>163</u>	<u>154</u>	<u>146</u>
Student Services					
Librarians	3	3	3	3	3
Technicians	1	1	1	1	1
Total student services	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>
Support and Administration					
Service workers	78	78	77	77	74
Total support and administration	<u>78</u>	<u>78</u>	<u>77</u>	<u>77</u>	<u>74</u>
Total	<u><u>269</u></u>	<u><u>263</u></u>	<u><u>253</u></u>	<u><u>244</u></u>	<u><u>233</u></u>

(Continued)

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Supervisory					
Consultants/supervisors of instruction	4	4	4	4	3
Principals	4	3	3	3	3
Assistant principals	1	2	2	1	1
Total supervisory	<u>9</u>	<u>9</u>	<u>9</u>	<u>8</u>	<u>7</u>
Instruction					
Teachers	103	95	95	88	88
Other professionals (instructional)	1	1	1	1	1
Aides	37	35	35	23	23
Total instruction	<u>141</u>	<u>131</u>	<u>131</u>	<u>112</u>	<u>112</u>
Student Services					
Librarians	3	3	3	3	3
Technicians	1	1	1	1	1
Total student services	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>
Support and Administration					
Service workers	71	72	72	44	42
Total support and administration	<u>71</u>	<u>72</u>	<u>72</u>	<u>44</u>	<u>42</u>
Total	<u><u>225</u></u>	<u><u>216</u></u>	<u><u>216</u></u>	<u><u>168</u></u>	<u><u>165</u></u>

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

(Concluded)

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

Fiscal Year Ended June 30	Average Daily Membership	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Free/Reduced Students
2014	1,915	\$ 14,364,038	\$ 7,501	2.23 %	\$ 16,068,026	\$ 8,391	1.86 %	178	10.8	16.0 %
2013	1,847	13,551,614	7,337	(3.87)	15,213,819	8,237	(6.40)	172	10.7	15.9
2012	1,687	12,876,311	7,633	(0.20)	14,846,614	8,801	0.65	163	10.3	14.1
2011	1,583	12,107,202	7,648	4.06	13,841,060	8,744	10.76	154	10.3	41.8
2010	1,500	11,024,342	7,350	(13.54)	11,840,825	7,894	(14.45)	146	10.3	12.0
2009	1,402	11,918,040	8,501	(7.50)	12,936,508	9,227	(9.11)	141	9.9	9.6
2008	1,299	11,938,098	9,190	15.68	13,187,035	10,152	13.72	131	9.9	8.3
2007	1,425	11,321,336	7,945	(5.59)	12,721,151	8,927	(2.19)	131	10.9	8.3
2006	1,342	11,292,724	8,415	(1.17)	12,248,641	9,127	(4.57)	112	12.0	8.0
2005	1,326	11,290,242	8,515	5.51	12,681,719	9,564	5.22	112	11.8	8.0

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

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

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

	<u>Fiscal Year Ended June 30</u>									
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<u>Schools</u>										
Elementary										
Buildings	2	2	2	2	2	2	2	2	2	2
Square feet	98,371	98,371	98,371	98,371	98,371	98,371	98,371	98,371	98,371	98,371
Capacity	1,100	1,100	1,050	1,050	1,000	1,000	1,000	1,000	1,000	1,000
Enrollment	1,138	1,087	1,040	1,025	975	924	834	884	872	846
Middle										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	57,124	57,124	57,124	57,443	57,443	57,443	57,443	57,443	57,443	57,443
Capacity	450	450	450	370	370	370	370	455	455	455
Enrollment	371	367	350	340	310	308	322	325	307	334
High										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	94,194	94,194	94,194	17,100	17,100	17,100	17,100	17,100	17,100	17,100
Capacity	650	650	650	230	230	230	230	150	150	150
Enrollment	479	449	375	330	350	260	194	132	98	92
Other										
Buildings	4	4	4	1	1	1	1	1	1	1
Square feet	10,178	10,178	10,718	758	758	758	758	758	758	758
<u>Administrative</u>										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	14,425	14,425	14,425	40,211	40,211	40,211	40,211	40,211	40,211	40,211
<u>Transportation</u>										
Garages	1	1	1	1	1	1	1	1	1	1
Buses	17	17	17	17	17	17	17	17	16	16
<u>Athletics</u>										
Football fields	1	1	1	1	1	1	1	1	1	1
Soccer fields	4	4	3	2	2	2	2	2	2	2
Baseball/softball	3	3	7	6	6	6	6	6	6	6
Playgrounds	3	3	3	3	3	3	3	3	3	3

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

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