
CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2018



CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82

CASA GRANDE, ARIZONA

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Issued by:
Business and Finance Department

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82

TABLE OF CONTENTS

<u>INTRODUCTORY SECTION</u>	<u>Page</u>
Letter of Transmittal	1
ASBO Certificate of Excellence	8
GFOA Certificate of Achievement	9
Organizational Chart	10
List of Principal Officials	11
 <u>FINANCIAL SECTION</u>	
INDEPENDENT AUDITOR’S REPORT	15
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)	19
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Position	32
Statement of Activities	33
Fund Financial Statements:	
Balance Sheet – Governmental Funds	36
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	39
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	40
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	42
Statement of Assets and Liabilities – Fiduciary Funds	43
Notes to Financial Statements	44

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82

TABLE OF CONTENTS

<u>FINANCIAL SECTION</u>	<u>Page</u>
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues Expenditures and Changes in Fund Balances – Budget and Actual:	
General Fund	68
Special Education Grants Fund	69
Pension Schedules	70
OPEB Schedules	71
Notes to Required Supplementary Information	73
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES	
Governmental Funds:	
Combining Balance Sheet – All Non-Major Governmental Funds – By Fund Type	78
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – All Non-Major Governmental Funds – By Fund Type	80
Special Revenue Funds:	
Combining Balance Sheet	84
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	90
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	96
Debt Service Fund:	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	118

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82

TABLE OF CONTENTS

<u>FINANCIAL SECTION</u>	<u>Page</u>
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES	
Capital Projects Funds:	
Combining Balance Sheet	120
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	121
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	122
Agency Funds:	
Combining Statement of Assets and Liabilities	128
Combining Statement of Changes in Assets and Liabilities	129
 <u>STATISTICAL SECTION</u>	
Financial Trends:	
Net Position by Component	133
Expenses, Program Revenues, and Net (Expense)/Revenue	134
General Revenues and Total Changes in Net Position	136
Fund Balances – Governmental Funds	138
Governmental Funds Revenues	140
Governmental Funds Expenditures and Debt Service Ratio	142
Other Financing Sources and Uses and Net Changes in Fund Balances – Governmental Funds	144

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82

TABLE OF CONTENTS

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

(This page intentionally left blank)

INTRODUCTORY SECTION

(This page intentionally left blank)

DR. STEVE BEBEE
SUPERINTENDENT

GINA SALAZAR
DIRECTOR OF FINANCE

STEVE MERRILL
DIRECTOR OF FEDERAL PROGRAMS

STEVEN SIPES
CTE SPECIALIST

SEAN CASEY
DIRECTOR OF STUDENT SERVICES

MARY ANN AMERSON
DIRECTOR OF HUMAN RESOURCES

MELANI EDWARDS
DIRECTOR OF CURRICULUM & INSTRUCTION

February 27, 2019

Citizens and Governing Board
Casa Grande Union High School District No. 82
1362 N. Casa Grande Avenue
Casa Grande, AZ 85122

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 Casa Grande Union High School District No. 82 (District) for the fiscal year ended June 30, 2018.

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, 2018, 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, 2018, 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 Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the District's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in a separately issued Single Audit Reporting Package.

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

PROFILE OF THE DISTRICT

The District is one of 24 public school districts located in Pinal County, Arizona. It provides a program of public education from grade 9 through grade 12, with an estimated current enrollment of 3,515 for fiscal year 2017 and 3,508 for fiscal year 2018.

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

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

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

Consequently, the District's financial statements include only the funds of those organizational entities for which its elected governing body is financially accountable. The District's major operations include education, student transportation, construction and maintenance of District facilities, food services, bookstore, and athletic functions.

Major Initiatives. The Casa Grande Union High School District continues to develop activities and programs to foster school improvement. The Administration redeveloped the educational plan for the District and formulated four succinct goals for the near and immediate future. These goals concentrate on a safe, orderly, positive school environment, effective communication between and among the District's stakeholders, student achievement goals, and continued teacher training.

It is our belief that these four goals are the guiding principles for the District's activities for the next several years. The goals are closely aligned with the principles outlined in the America 2000 plan of which the District previously committed to implement.

One is to provide a safe, orderly, and nurturing Community Based School. We believe this can be obtained by maintaining a safe orderly student centered school and continuing to monitor and supervise the student attendance and student behaviors. In addition we would like to obtain student input in development of services such as food, bookstore activities and in any other matters. The District was able to pass in the November 2006 election school bonds for the new 1,500 student high school located on Cottonwood and Arizola in Casa Grande. Vista Grande High School opened in August 2009 with grades 9 and 10 to begin with. The District completed the new transportation facility in October 2008 and the additional remodeling projects for Casa Grande Union High School and Casa Verde/Desert Winds High Schools. The average age of the District buildings is 22 years.

Secondly, we would like to support the continued development of the teaching and learning process. The District plans to obtain this by promoting student ownership, school pride and spirit by making this a student-friendly, "personalized" school district. Also a reduction in the dropout rate, the classroom failure rate, and the student retention rate is an anticipated result the District expects from this goal.

In addition, the District would like to build organizational capacity for instructional improvement. The District would like to provide training and instruction to enhance staff skills and productivity. In the upcoming future we would like to evaluate and modify District policies and administrative practices regarding students to positively impact the teaching and learning process. Finally, the District desires to maintain and expand financial capacity to continue quality instruction. To that end, the District has established Goal Committees that comprise administration, Board and Community members, and employees.

The District's final goal is to promote school and community relations through effective two-way communication. The District believes increasing parental and community involvement at each of the three high schools can achieve this goal.

In order to increase communications at the local high school the District plans to deliver newsletters and parental contacts as well as provide contact information on the District's web page. In order to promote two-way communication the District will develop and utilize results of parent and student satisfaction surveys to increase student achievement and attendance.

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 over expenditures 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 District is located in the western part of Pinal County, which is in the south-central portion of the State of Arizona. The District was organized in 1919 and presently encompasses 1,280 square miles. The current population for the District is estimated at 71,000.

The local economy continues to show recovery and the restoration of some basic growth. A couple of housing subdivisions have restarted building new homes and several new small businesses have opened. Home prices and population growth are both showing small positive increases. The economy of the District has an urban and a rural component. The urban portion, represented by the activity in and around the City of Casa Grande, is based upon manufacturing, government and commerce. The rural portion is based upon agriculture, mining and tourism.

The City of Casa Grande plays an important role in the District's economy. The City has an estimated 2017 population of 55,477, which constitutes 78 percent of the District's entire population, while the City's net assessed value accounts for nearly 50 percent of the District's net assessed value.

Casa Grande is strategically located at the intersection of I-8 and I-10 in an area known as Arizona's Sun Corridor. A convenient location midway between the major metropolitan markets of Phoenix and Tucson, the City of Casa Grande has grown to be the largest community in western Pinal County since its incorporation in 1915.

Its economic base is a mix of retail trade, manufacturing and agriculture, while its market area consists of more than 91,000 consumers.

Its prime location provides cost effective access to global markets. These factors have led to Casa Grande evolving into a diversified full-service area with manufacturing, distribution facilities, retail trade, and tourist-related employment.

The city maintains several mature and new industrial parks with excellent access to major rail lines, freeways and highways. Additionally, these industrial sites are located within a 45-minute drive of Phoenix Sky Harbor International Airport, which provides easy access to both the casual and the business traveler.

The people of Casa Grande put together a successful industrial park and in recent years, first class manufacturers have moved into the area. Among the companies located in Casa Grande are Abbott Nutrition; Daisy Brand; Metal Solutions; Monsanto, National Vitamin Company, Inc.; Quemetco Metals Limited, Inc.; Frito-Lay, Inc.; Hexcel Corporation; Nestle Beverage Company; Ross Laboratories and Walmart Distribution Center and is the North American Headquarters for ACO Polymer Products, Inc. Many of these are manufacturing companies with heavy distribution activity. One of the reasons they chose Casa Grande is that it offers the same, if not better, market accessibility than metro Phoenix or Tucson.

Casa Grande is the retail center for North Western and North Eastern sections of Pinal County serving more than 162,429 consumers, including local retailers, specialty stores, antiques stores, and outlet shopping. Local retailers include J.C. Penney, K-Mart, Walmart, Home Depot, Target, Staples, Dillard's, Lowe's Store #2272, Office Max, and numerous other specialty retailers along with several grocery stores. Mor Furniture also opened in 2016 as well as a few new restaurants.

Additionally, during 2013 two dairy manufacturing companies opened new processing plants in Casa Grande. Franklin Foods, Inc., the world's fastest growing cream cheese company, operates a state-of-the-arts 90,000 square foot facility out of the former Arizona Dairy Ingredients building. Franklin Foods, Inc. produces a full line of cultured cream cheese and cream cheese based products including the newly announced and industry first Greek Cream Cheese. The facility is expected to create 80 new jobs over the next two years.

Franklin Foods was established in Enosburg Falls, Vermont in 1899 and has a rich tradition of supporting local New England Dairy Farmers by purchasing fresh milk and cream from nearby farms and suppliers. The company continues this tradition in Arizona by purchasing local milk and cream from United Dairyman of Arizona (UDA).

Ehrmann Arizona Dairy, LLC is the second dairy manufacturing company to open in Casa Grande in 2013. The company constructed a state-of-the-art yogurt manufacturing facility on a 25-acre site. The 89,999 square foot dairy processing facility for manufacturing yogurt was completed in September 2013. The plant's partners, Ehrmann and Commonwealth Dairy, have owned and operated a dairy operation in Brattleboro, Vermont since 2011. Company officials expect to employ a 250-member work-force by 2015.

The Casa Grande Valley agricultural industry has long been a major contributor to the area economy. The Census of Agriculture shows there are over 785 farms in Pinal County and accounts for almost 200,000 acres of farmland. The estimated market value of crop sales is around \$240 million dollars. Pinal County is consistently in the top rankings for field crop production in Arizona competing with Maricopa County. Some of the key crops for the area include cotton, alfalfa, and corn for silage, wheat, and barley.

In 2007, the 1,000,000 square foot Promenade, shopping center, was completed. The Promenade Shopping Center consists of a number of well-known national retail stores, restaurants, and a multiplex movie theater.

Casa Grande has become the "new" home Mecca for the Phoenix area. New home prices are running from \$25,000 to \$50,000 below the Phoenix market. For some time now the developers have been looking at Pinal County as a whole for a wide variety of communities from active adult to single family communities. The original projections for continued growth have slowed down considerably due to economic conditions in the housing market.

Outside the City of Casa Grande, the District's most significant economic component remains agriculture. While the City of Casa Grande is shedding its agrarian dependency, Pinal County's outlying economy has always been strongly dependent on agriculture. The District lies in the Santa Cruz and Santa Rose Basins, two of the State's most fertile agriculture areas. Over 100,000 acres in the valley are under irrigation, producing cotton (the area's principal crop), grains, alfalfa, vegetables and citrus fruits. Farming is supplemented by the presence of several large cattle ranching and feeding operations in the area.

Lucid motors originally announced its plans to open in 2017. However, plans were delayed and a new timeline has been established. Lucid now anticipates to break ground between April and June 2019 with its first car to be released by the end of 2020. They estimate being in full operation by 2021. The company expects to employ close to 750 people which will bring more families to the Casa Grande area.

Plans to open Attessa Motorsport Complex in 2020 were also delayed. Although there has been some forward progress and they have completed the entitlement process. Plans for three tracks, a hotel, and a convention center are part of phase 1 and are intended to be built next. It will be built on 2,500 acres and the many job openings will provide more opportunity for growth in the community as well as for the District. New housing has already begun to support the projected increase in population.

Long-term Financial Planning. Despite the loss of construction employment in the area, the District has seen a small increase in new residents over the last several years which has equated to new students. However, the District has also experienced a loss of students due to the opening of a new charter high school in fiscal year 2011-12. In addition, ASU Preparatory Academy opened its doors to students beginning fiscal year 2016-17. Current year funding will also have an impact on future financial planning as the district is still unsure of many unknown factors that will affect its finances.

AWARDS AND ACKNOWLEDGMENTS

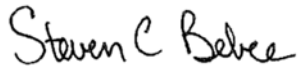
Awards. The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2017. This was the third year that the District received this prestigious 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, 2017. 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, 2018 certificates.

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

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

Respectfully submitted,



Dr. Steve Bebee
Superintendent



Gina Salazar
Finance Director



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Casa Grande Union High School District No. 82

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2017.**

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



A handwritten signature in black ink, reading 'Charles E. Peterson, Jr.'.

Charles E. Peterson, Jr., SFO, RSBA, MBA
President

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

John D. Musso, CAE
Executive Director



Government Finance Officers Association

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

Presented to

**Casa Grande Union High School
District No. 82, Arizona**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

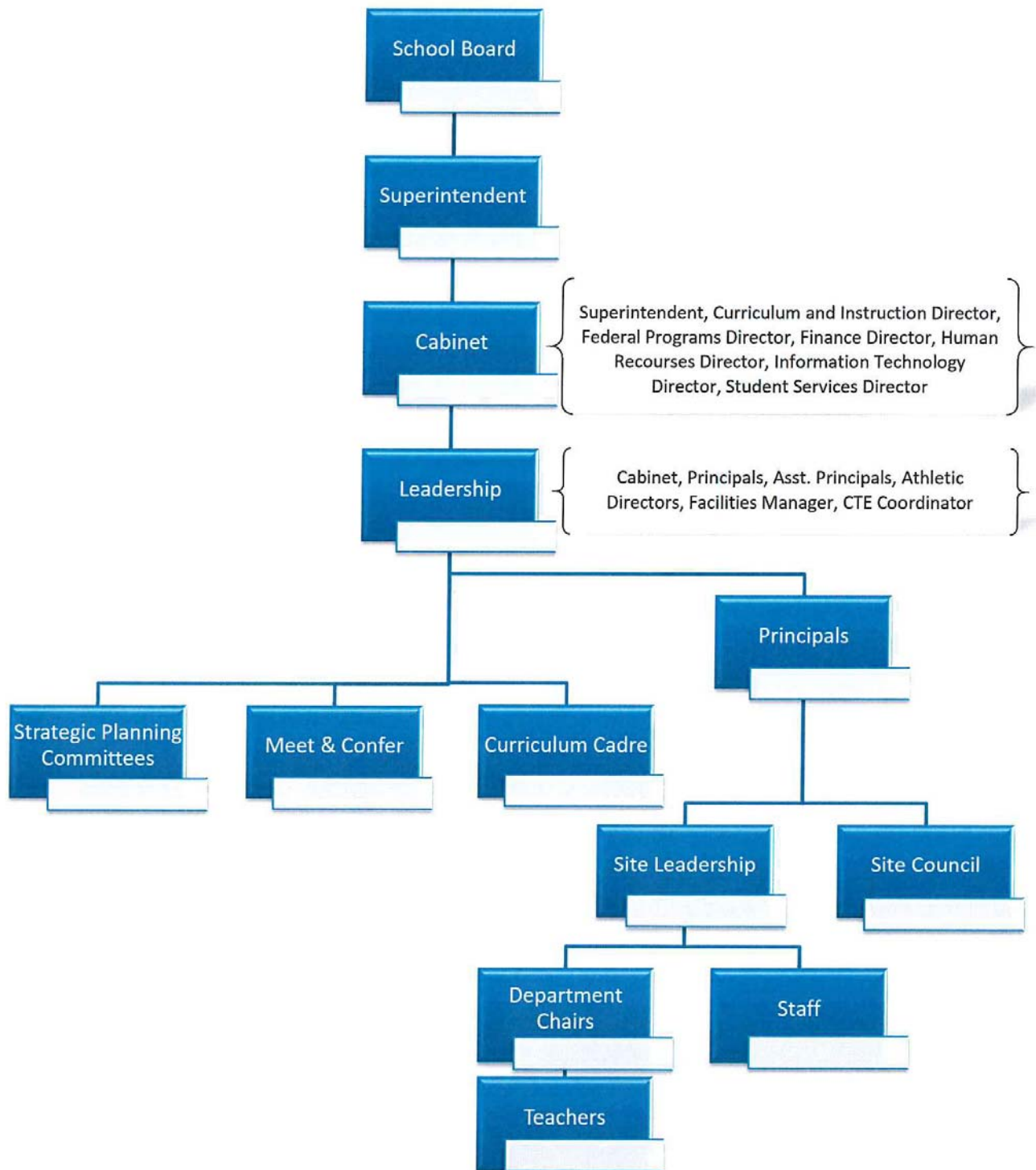
June 30, 2017

Christopher P. Morill

Executive Director/CEO

Casa Grande Union High School District #82

Organizational Chart



CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82

LIST OF PRINCIPAL OFFICIALS

GOVERNING BOARD

Wes Mitchell, President

Tony Salcido, Member

Nancy Hawkins, Member

Chuck Wright, Member

Connie Dolezal, Member

ADMINISTRATIVE STAFF

Dr. Steve Bebee, Superintendent

Gina Salazar, Director of Business Services

Thomas Trigalet, Principal

Glenda Sulley, Principal

(This page intentionally left blank)

FINANCIAL SECTION

(This page intentionally left blank)

INDEPENDENT AUDITOR'S REPORT

Governing Board
Casa Grande Union High School District No. 82

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 Casa Grande Union High School District No. 82 (District), as of and for the year ended June 30, 2018, 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 Casa Grande Union High School District No. 82, as of June 30, 2018, 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. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for the year ended June 30, 2018, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2019, on our consideration of Casa Grande Union High School District No. 82'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 Casa Grande Union High School District No. 82's internal control over financial reporting and compliance.

Heinfeld, Meech & Co., P.C.

Heinfeld, Meech & Co., P.C.
Tucson, Arizona
February 27, 2019

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

(This page intentionally left blank)

**CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

As management of the Casa Grande Union High School District No. 82 (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, 2018. The management's discussion and analysis is presented as required supplementary information to supplement the basic financial statements. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

- The District's total net position of governmental activities increased \$3.4 million which represents an eight percent increase from the prior fiscal year as a result of an increase in property tax revenues and unrestricted state aid.
- General revenues accounted for \$32.0 million in revenue, or 83 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$6.6 million or 17 percent of total current fiscal year revenues.
- The District had approximately \$35.2 million in expenses related to governmental activities, an increase of six percent from the prior fiscal year.
- Among major funds, the General Fund had \$26.5 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$25.4 million in expenditures. The General Fund's fund balance decreased from \$6.3 million at the prior fiscal year end, to \$6.0 million at the end of the current fiscal year.
- The Special Education Grants Fund's fund balance decreased \$167,131.
- The Unrestricted Capital Outlay Fund had \$1.6 million in current fiscal year revenues, which primarily consisted of state aid, and 1.3 million in expenditures. The Unrestricted Capital Outlay's fund balance increase from \$2.6 million at the prior fiscal year end to \$2.9 million at the end of the current year was primarily due to unexpended revenues.

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.

**CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

OVERVIEW OF FINANCIAL STATEMENTS

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

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

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

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

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

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

**CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

OVERVIEW OF FINANCIAL STATEMENTS

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

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

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$47.9 million at the current fiscal year end.

The largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment and construction in progress), less any related outstanding debt used to acquire those assets. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related outstanding debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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.

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2018 and June 30, 2017.

	As of June 30, 2018	As of June 30, 2017
Current and other assets	\$ 13,668,912	\$ 13,049,537
Capital assets, net	76,929,760	78,505,543
Total assets	<u>90,598,672</u>	<u>91,555,080</u>
Deferred outflows	<u>3,936,014</u>	<u>5,414,992</u>
Current and other liabilities	1,243,707	1,616,384
Long-term liabilities	42,874,250	47,131,752
Total liabilities	<u>44,117,957</u>	<u>48,748,136</u>
Deferred inflows	<u>2,488,540</u>	<u>3,668,941</u>
Net position:		
Net investment in capital assets	57,410,271	56,828,039
Restricted	5,953,286	4,837,851
Unrestricted	(15,435,368)	(17,112,895)
Total net position	<u>\$ 47,928,189</u>	<u>\$ 44,552,995</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 principal retirement and premium amortization of \$2.3 million of bonds.
- The decrease of \$1.8 in pension liabilities.
- Capital asset depreciation of \$2.8 million.

**CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

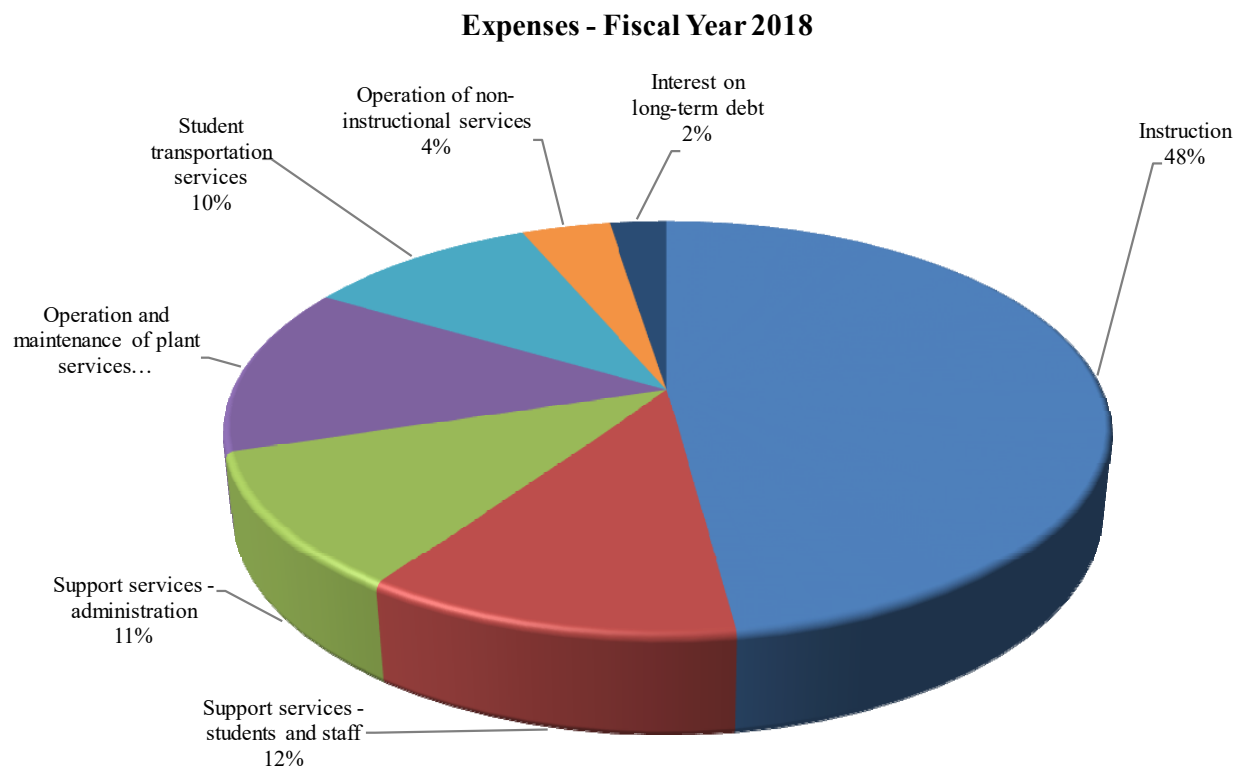
GOVERNMENT-WIDE FINANCIAL ANALYSIS

Changes in net position. The District's total revenues for the current fiscal year were \$38.6 million. The total cost of all programs and services was \$35.2 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2018 and June 30, 2017.

	Fiscal Year Ended June 30, 2018	Fiscal Year Ended June 30, 2017
Revenues:		
Program revenues:		
Charges for services	\$ 2,203,237	\$ 1,822,648
Operating grants and contributions	3,610,517	4,168,172
Capital grants and contributions	776,416	1,120,554
General revenues:		
Property taxes	16,449,404	15,500,448
Investment income	188,274	65,484
Unrestricted county aid	810,657	797,007
Unrestricted state aid	14,336,859	13,941,224
Unrestricted federal aid	212,337	162,286
Total revenues	<u>38,587,701</u>	<u>37,577,823</u>
Expenses:		
Instruction	16,866,004	16,137,896
Support services - students and staff	4,101,346	3,883,529
Support services - administration	3,783,698	3,300,717
Operation and maintenance of plant services	4,636,304	4,071,691
Student transportation services	3,580,922	3,222,091
Operation of non-instructional services	1,366,116	1,536,931
Interest on long-term debt	880,935	974,782
Total expenses	<u>35,215,325</u>	<u>33,127,637</u>
Changes in net position	<u>3,372,376</u>	<u>4,450,186</u>
Net position, beginning	<u>44,555,813</u>	<u>40,102,809</u>
Net position, ending	<u><u>\$ 47,928,189</u></u>	<u><u>\$ 44,552,995</u></u>

**CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

GOVERNMENT-WIDE FINANCIAL ANALYSIS



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

- The decrease of \$557,655 in operating grants and contributions was primarily due to decreased grant funding from federal grants such as Title I, IDEA, and National School Lunch Program.
- The increase of \$948,956 in property taxes due to higher assessed property values.
- The increase of \$395,635 in unrestricted state aid primarily due to additional funding for equalization assistance and additional state aid.
- Instruction expenses increased \$728,108 due to an increase in instructional staffing salary and benefits.
- Operation and maintenance of plant services expenses increased \$564,613 due to an increase in the cost of communication services.

**CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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.

	Year Ended June 30, 2018		Year Ended June 30, 2017	
	Total Expenses	Net (Expense)/ Revenue	Total Expenses	Net (Expense)/ Revenue
Instruction	\$ 16,866,004	\$ (13,482,164)	\$ 16,137,896	\$ (13,428,884)
Support services - students and staff	4,101,346	(3,019,781)	3,883,529	(2,722,001)
Support services - administration	3,783,698	(3,510,097)	3,300,717	(2,957,123)
Operation and maintenance of plant services	4,636,304	(4,390,429)	4,071,691	(2,713,462)
Student transportation services	3,580,922	(3,489,079)	3,222,091	(3,202,051)
Operation of non-instructional services	1,366,116	147,330	1,536,931	(17,960)
Interest on long-term debt	880,935	(880,935)	974,782	(974,782)
Total	<u>\$ 35,215,325</u>	<u>\$ (28,625,155)</u>	<u>\$ 33,127,637</u>	<u>\$ (26,016,263)</u>

- The cost of all governmental activities this year was \$35.2 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$6.6 million.
- Net cost of governmental activities of \$28.6 million was financed by general revenues, which are made up of primarily property taxes of \$16.4 million and state and county aid of \$15.1 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.

**CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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 \$11.5 million, an increase of \$591,836.

The General Fund comprises 52 percent of the total fund balance. Approximately \$5.7 million, or 94 percent of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District. The decrease in fund balance of \$241,141 to \$6.0 million as of fiscal year end was a result of a decrease in a reserve for prepaid items. General Fund revenues increased \$3.2 million primarily as a result of an increase in property tax allocations and an increase in assessed property values. General Fund expenditures increased \$1.0 million as a result of an increase in operation and maintenance of plant services expenses related to communication services.

Special Education Grant revenues decreased \$20,867. Special Education Grant expenditures increased \$119,497 primarily related to capital expenditures.

Unrestricted Capital Outlay Fund revenues decreased \$1.8 million primarily due to a decrease in allocated property taxes. Unrestricted Capital Outlay Fund expenditures increased \$10,082.

Building Renewal Grant revenues decreased \$455,994 primarily due to a decrease in state aid and grants. Building Renewal Grant expenditures decreased \$418,814 due to the completion of capital projects.

BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the General Fund annual expenditure budget for changes in funding for teacher salaries. The difference between the original budget and the final amended budget was an \$840,146 increase, or three percent.

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

**CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

BUDGETARY HIGHLIGHTS

The significant variances are summarized as follows:

- The favorable variance of \$3.7 million in instruction was a result of budgeting to the maximum general budget limit to maximize the budget balance carry forward.
- The unfavorable variance of \$320,694 in support services – administration was a result of the costs related prepaid insurance expense not included in the current year budget.
- The favorable variance of \$429,240 in operation and maintenance of plant services was a result of lower than anticipated expenditures for the purchase of electricity.
- The favorable variance of \$540,464 in student transportation services was a result of lower than anticipated expenditures for the purchase of transportation services.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At year end, the District had invested \$111.0 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 \$1.1 million from the prior fiscal year, primarily due to roof renovations at Desert Winds, the purchase of District vehicles, and building renovations. Total depreciation expense for the current fiscal year was \$2.8 million. The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2018 and June 30, 2017.

	As of June 30, 2018	As of June 30, 2017
Capital assets - non-depreciable	\$ 168,498	\$ 227,478
Capital assets - depreciable, net	76,761,262	78,278,065
Total	<u>\$ 76,929,760</u>	<u>\$ 78,505,543</u>

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

Debt Administration. At year end, the District had \$22.2 million in long-term debt outstanding, \$2.3 million due within one year. Long-term debt decreased by \$2.6 million due to scheduled payments.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 15 percent of the total net full cash assessed valuation) and the statutory debt limit on Class B bonds (the greater of 10 percent of the net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$93.0 million and the Class B debt limit is \$62.0 million, which are more than the District's total outstanding general obligation and Class B debt, respectively. Additional information on the District's long-term debt can be found in Notes 7 through 9.

**CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

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 2018-19 budget. Among them:

- Fiscal year 2017-18 budget balance carry forward (estimated \$4,280,883).
- District student population (estimated 3,462).

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

Budgeted expenditures in the General Fund increased eight percent to \$30.6 million in fiscal year 2018-19. Increased payroll and employee benefit costs is the primary reason for the increase. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2018-19 budget.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business and Finance Department, Casa Grande Union High School District No. 82, 1362 North Casa Grande Avenue, Casa Grande, Arizona 85122.

BASIC FINANCIAL STATEMENTS

(This page intentionally left blank)

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
STATEMENT OF NET POSITION
JUNE 30, 2018

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 7,418,734
Property taxes receivable	565,725
Accounts receivable	283,820
Due from governmental entities	4,962,265
Prepaid items	370,797
Total current assets	<u>13,601,341</u>
Noncurrent assets:	
Net other postemployment benefit assets	67,571
Capital assets not being depreciated	168,498
Capital assets, net of accumulated depreciation	76,761,262
Total noncurrent assets	<u>76,997,331</u>
Total assets	<u><u>90,598,672</u></u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred charges on refunding	1,351,039
Pension and other postemployment benefit plan items	2,584,975
Total deferred outflows of resources	<u><u>3,936,014</u></u>
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	566,591
Construction contracts payable	554,064
Accrued payroll and employee benefits	83,105
Compensated absences payable	218,706
Unearned revenues	39,947
Obligations under capital leases	221,429
Bonds payable	2,095,000
Total current liabilities	<u>3,778,842</u>
Noncurrent liabilities:	
Non-current portion of long-term obligations	40,339,115
Total noncurrent liabilities	<u>40,339,115</u>
Total liabilities	<u><u>44,117,957</u></u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Pension and other postemployment benefit plan items	<u>2,488,540</u>
<u>NET POSITION</u>	
Net investment in capital assets	57,410,271
Restricted for:	
Voter approved initiatives	553,800
Federal and state projects	328,722
Food service	901,103
Other local initiatives	142,078
Debt service	1,035,872
Capital outlay	2,991,711
Unrestricted	(15,435,368)
Total net position	<u><u>\$ 47,928,189</u></u>

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

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018

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	\$ 16,866,004	\$ 1,462,516	\$ 1,156,553	\$ 764,771	\$ (13,482,164)
Support services - students and staff	4,101,346	43,248	1,038,317		(3,019,781)
Support services - administration	3,783,698	29,345	244,256		(3,510,097)
Operation and maintenance of plant services	4,636,304	57,341	176,889	11,645	(4,390,429)
Student transportation services	3,580,922	52,665	39,178		(3,489,079)
Operation of non-instructional services	1,366,116	558,122	955,324		147,330
Interest on long-term debt	880,935				(880,935)
Total governmental activities	<u>\$ 35,215,325</u>	<u>\$ 2,203,237</u>	<u>\$ 3,610,517</u>	<u>\$ 776,416</u>	<u>(28,625,155)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	12,875,891
Property taxes, levied for debt service	2,863,179
Property taxes, levied for capital outlay	710,334
Investment income	188,274
Unrestricted county aid	810,657
Unrestricted state aid	14,336,859
Unrestricted federal aid	212,337
Total general revenues	<u>31,997,531</u>

Changes in net position 3,372,376

Net position, beginning of year, as restated 44,555,813

Net position, end of year \$ 47,928,189

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

(This page intentionally left blank)

FUND FINANCIAL STATEMENTS

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2018

	<u>General</u>	<u>Special Education Grants</u>	<u>Unrestricted Capital Outlay</u>
<u>ASSETS</u>			
Cash and investments	\$ 2,193,912	\$	\$ 2,728,804
Property taxes receivable	422,902		50,281
Accounts receivable	2,331		
Due from governmental entities	3,507,934	167,131	243,699
Due from other funds	288,827		9,489
Prepaid items	370,797		
Total assets	<u><u>\$ 6,786,703</u></u>	<u><u>\$ 167,131</u></u>	<u><u>\$ 3,032,273</u></u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 299,250	\$ 102,349	\$ 54,321
Construction contracts payable			
Due to other funds		64,782	
Accrued payroll and employee benefits	83,105		
Unearned revenues			
Total liabilities	<u>382,355</u>	<u>167,131</u>	<u>54,321</u>
Deferred inflows of resources:			
Unavailable revenues - property taxes	376,030		46,310
Unavailable revenues - intergovernmental		167,131	
Total deferred inflows of resources	<u>376,030</u>	<u>167,131</u>	<u>46,310</u>
Fund balances (deficits):			
Nonspendable	370,797		
Restricted			2,931,642
Unassigned	5,657,521	(167,131)	
Total fund balances	<u>6,028,318</u>	<u>(167,131)</u>	<u>2,931,642</u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 6,786,703</u></u>	<u><u>\$ 167,131</u></u>	<u><u>\$ 3,032,273</u></u>

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

Building Renewal Grant	Non-Major Governmental Funds	Total Governmental Funds
\$ 16,419	\$ 2,479,599	\$ 7,418,734
	92,542	565,725
	281,489	283,820
554,020	489,481	4,962,265
		298,316
		370,797
<u>\$ 570,439</u>	<u>\$ 3,343,111</u>	<u>\$ 13,899,657</u>

\$	\$ 110,671	\$ 566,591
554,064		554,064
9,489	224,045	298,316
		83,105
	39,947	39,947
<u>563,553</u>	<u>374,663</u>	<u>1,542,023</u>

	85,661	508,001
<u>11,645</u>	<u>153,462</u>	<u>332,238</u>
<u>11,645</u>	<u>239,123</u>	<u>840,239</u>

		370,797
	2,801,469	5,733,111
(4,759)	(72,144)	5,413,487
<u>(4,759)</u>	<u>2,729,325</u>	<u>11,517,395</u>

<u>\$ 570,439</u>	<u>\$ 3,343,111</u>	<u>\$ 13,899,657</u>
-------------------	---------------------	----------------------

(This page intentionally left blank)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2018

Total governmental fund balances	\$	11,517,395
---	-----------	-------------------

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	\$ 111,042,680	
Less accumulated depreciation	<u>(34,112,920)</u>	76,929,760

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

Property taxes	508,001	
Intergovernmental	<u>332,238</u>	840,239

Deferred items related to the net cost of issuance of bonds are amortized over the life of the associated bond issue in the government-wide statements but not reported in the funds.	1,351,039
---	-----------

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

Deferred outflows of resources related to pensions/OPEB	2,584,975	
Deferred inflows of resources related to pensions/OPEB	<u>(2,488,540)</u>	96,435

The Net OPEB asset is not a current financial resource and, therefore, is not reported in the funds.	67,571
--	--------

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

Compensated absences payable	(619,702)	
Obligations under capital leases	(1,494,321)	
Net OPEB liability	(45,621)	
Net pension liability	(19,969,503)	
Bonds payable	<u>(20,745,103)</u>	<u>(42,874,250)</u>

Net position of governmental activities	\$	<u>47,928,189</u>
--	-----------	--------------------------

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

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018

	<u>General</u>	<u>Special Education Grants</u>	<u>Unrestricted Capital Outlay</u>
Revenues:			
Other local	\$ 1,973,625	\$	\$ 100,228
Property taxes	12,825,704		762,037
State aid and grants	11,514,072		789,930
Federal aid, grants and reimbursements	212,337	399,070	
Total revenues	<u>26,525,738</u>	<u>399,070</u>	<u>1,652,195</u>
Expenditures:			
Current -			
Instruction	11,202,626	208,476	
Support services - students and staff	2,851,285	205,074	
Support services - administration	3,305,235		
Operation and maintenance of plant services	4,459,196		
Student transportation services	3,309,536	18,354	
Operation of non-instructional services	180,889		
Capital outlay	74,331	103,711	995,055
Debt service -			
Principal retirement			259,794
Interest and fiscal charges			44,030
Total expenditures	<u>25,383,098</u>	<u>535,615</u>	<u>1,298,879</u>
Excess (deficiency) of revenues over expenditures	<u>1,142,640</u>	<u>(136,545)</u>	<u>353,316</u>
Other financing sources (uses):			
Transfers in	35,533		
Transfers out		(30,586)	
Insurance recoveries	15,789		
Total other financing sources (uses)	<u>51,322</u>	<u>(30,586)</u>	
Changes in fund balances	<u>1,193,962</u>	<u>(167,131)</u>	<u>353,316</u>
Fund balances, beginning of year	6,269,459		2,578,326
Increase (decrease) in reserve for prepaid items	(1,435,103)		
Fund balances, end of year	<u>\$ 6,028,318</u>	<u>\$ (167,131)</u>	<u>\$ 2,931,642</u>

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

Building Renewal Grant	Non-Major Governmental Funds	Total Governmental Funds
\$ 476	\$ 1,142,521	\$ 3,216,850
	2,861,256	16,448,997
607,435	2,219,590	15,131,027
	2,830,986	3,442,393
<u>607,911</u>	<u>9,054,353</u>	<u>38,239,267</u>
	3,089,308	14,500,410
	834,452	3,890,811
	254,518	3,559,753
		4,459,196
	69,193	3,397,083
	1,131,600	1,312,489
638,750	80,954	1,892,801
	2,035,000	2,294,794
	876,750	920,780
<u>638,750</u>	<u>8,371,775</u>	<u>36,228,117</u>
<u>(30,839)</u>	<u>682,578</u>	<u>2,011,150</u>
		35,533
	(4,947)	(35,533)
		15,789
	<u>(4,947)</u>	<u>15,789</u>
<u>(30,839)</u>	<u>677,631</u>	<u>2,026,939</u>
26,080	2,051,694	10,925,559
		(1,435,103)
<u>\$ (4,759)</u>	<u>\$ 2,729,325</u>	<u>\$ 11,517,395</u>

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018

Changes in fund balances - total governmental funds **\$ 2,026,939**

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	\$ 1,186,634	
Less current year depreciation	<u>(2,750,974)</u>	(1,564,340)

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

Property taxes	407	
Intergovernmental	<u>332,238</u>	332,645

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

Capital lease principal retirement	259,794	
Bond principal retirement	<u>2,035,000</u>	2,294,794

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

Current year pension/OPEB contributions	1,574,287	
Pension/OPEB expense	<u>163,240</u>	1,737,527

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

Prepaid items	(1,435,103)	
Loss on disposal of assets	(11,443)	
Amortization of deferred bond items	39,845	
Compensated absences	<u>(48,488)</u>	(1,455,189)

Changes in net position in governmental activities **\$ 3,372,376**

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

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2018

	<u>Agency</u>
<u>ASSETS</u>	
Cash and investments	\$ 1,951,407
Total assets	<u>\$ 1,951,407</u>
<u>LIABILITIES</u>	
Deposits held for others	\$ 1,822,679
Due to student groups	128,728
Total liabilities	<u>\$ 1,951,407</u>

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

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Casa Grande Union High School District No. 82 (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, 2018, the District implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement requires governments providing defined benefit postemployment benefits other than pensions to recognize the long-term obligation for those benefits as a liability, and to more comprehensively and comparably measure the annual costs of those benefits. This Statement also enhances accountability and transparency through revised note disclosures and new required supplementary information. The more significant of the District's accounting policies are described below.

A. Reporting Entity

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

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

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

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

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) present financial information about the District as a whole. The reported information includes all of the nonfiduciary activities of the District 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 federal, state and county aid, and other items not included among program revenues are reported instead as general revenues.

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

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

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

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

The District reports the following major governmental funds:

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

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

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

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Building Renewal Grant Fund – The Building Renewal Grant Fund accounts 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.

Additionally, the District reports the following fund type:

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

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

D. Cash and Investments

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

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

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

Statute does not include any requirements for credit risk, concentration of credit risk, interest rate risk, or foreign currency risk. 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.

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

E. Investment Income

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

F. Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Interfund balances between governmental funds are eliminated on the Statement of Net Position. All receivables, including property taxes receivable, are shown net of an allowance for uncollectibles.

G. Property Tax Calendar

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

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

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

H. Prepaid Items

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

I. Capital Assets

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

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

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

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

Land improvements	10 – 50 years
Buildings and improvements	10 – 50 years
Vehicles, furniture and equipment	5 – 25 years

J. Deferred Outflows/Inflows of Resources

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

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

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

K. Compensated Absences

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

L. Pensions and Other Postemployment Benefits

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

M. Long-term Obligations

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

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

N. Interfund Activity

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

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

O. Net Position Flow Assumption

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

P. Estimates

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

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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

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

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

Committed. The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action of the Governing Board. Those committed amounts cannot be used for any other purpose unless the Governing Board removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. 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.

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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

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	Special Education Grants Fund	Unrestricted Capital Outlay Fund	Building Renewal Grant Fund	Non-Major Governmental Funds
Fund Balances:					
Nonspendable:					
Prepaid items	\$ 370,797	\$	\$	\$	\$
Restricted:					
Debt service					950,211
Capital projects			2,931,642		6,873
Voter approved initiatives					553,800
Federal and state projects					247,404
Food service					901,103
Joint technical education					112,292
Other purposes					29,786
Unassigned	5,657,521	(167,131)		(4,759)	(72,144)
Total fund balances	<u>\$ 6,028,318</u>	<u>\$ (167,131)</u>	<u>\$ 2,931,642</u>	<u>\$ (4,759)</u>	<u>\$ 2,729,325</u>

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

	<u>Deficit</u>
Major Funds:	
Special Education Grants	\$ 167,131
Building Renewal Grant	4,759
Non-Major Governmental Funds:	
Title I Grants	30,320
Professional Development and Technology Grants	16,697
Title IV Grants	1,339
Limited English & Immigrant Students	85
Vocational Education	23,703

The deficits arose because of operations during the year and/or because of pending grant reimbursements. Additional revenues received in fiscal year 2018-19 are expected to eliminate the deficits.

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

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 \$2,805,312, and the bank balance was \$2,851,269. At year end, \$1,939,877 of the District's deposits was covered by collateral held by the pledging financial institution's trust department or agent but not in the District's name, and \$4,087 was uninsured and uncollateralized.

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

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

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 4 – CASH AND 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. Participants in the pool are not required to categorize the value of shares in accordance with the fair value hierarchy.

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

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer's investment pool	1.59 years	<u>\$ 6,564,829</u>

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

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

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

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 major funds and non-major governmental funds in the aggregate were as follows:

	<u>General Fund</u>	<u>Special Education Grants Fund</u>	<u>Unrestricted Capital Outlay Fund</u>	<u>Building Renewal Grant Fund</u>	<u>Non-Major Governmental Funds</u>
Due from other governmental entities:					
Due from federal government	\$ 9,408	\$ 167,131	\$	\$	\$ 262,580
Due from state government	3,498,526		243,699	554,020	226,901
Net due from governmental entities	<u>\$ 3,507,934</u>	<u>\$ 167,131</u>	<u>\$ 243,699</u>	<u>\$ 554,020</u>	<u>\$ 489,481</u>

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 6 – CAPITAL ASSETS

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

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 168,498	\$	\$	\$ 168,498
Construction in progress	58,980	591,469	650,449	
Total capital assets, not being depreciated	<u>227,478</u>	<u>591,469</u>	<u>650,449</u>	<u>168,498</u>
Capital assets, being depreciated:				
Land improvements	6,686,923	161,789		6,848,712
Buildings and improvements	97,989,728	847,138		98,836,866
Vehicles, furniture and equipment	<u>5,019,415</u>	<u>236,687</u>	<u>67,498</u>	<u>5,188,604</u>
Total capital assets being depreciated	<u>109,696,066</u>	<u>1,245,614</u>	<u>67,498</u>	<u>110,874,182</u>
Less accumulated depreciation for:				
Land improvements	(2,731,173)	(275,188)		(3,006,361)
Buildings and improvements	(25,780,069)	(2,199,992)		(27,980,061)
Vehicles, furniture and equipment	<u>(2,906,759)</u>	<u>(275,794)</u>	<u>(56,055)</u>	<u>(3,126,498)</u>
Total accumulated depreciation	<u>(31,418,001)</u>	<u>(2,750,974)</u>	<u>(56,055)</u>	<u>(34,112,920)</u>
Total capital assets, being depreciated, net	<u>78,278,065</u>	<u>(1,505,360)</u>	<u>11,443</u>	<u>76,761,262</u>
Governmental activities capital assets, net	<u>\$ 78,505,543</u>	<u>\$ (913,891)</u>	<u>\$ 661,892</u>	<u>\$ 76,929,760</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$2,007,315
Support services – students and staff	167,532
Support services – administration	115,666
Operation and maintenance of plant services	389,984
Student transportation services	49,667
Operation of non-instructional services	<u>20,810</u>
Total depreciation expense – governmental activities	<u>\$2,750,974</u>

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 7 – OBLIGATIONS UNDER CAPITAL LEASES

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

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

	<u>Governmental Activities</u>
Asset:	
Vehicles, furniture and equipment	\$ 91,479
Less: Accumulated depreciation	9,910
Total	<u>\$ 81,569</u>

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

Year Ending June 30:	<u>Governmental Activities</u>
2019	\$ 259,533
2020	259,533
2021	259,534
2022	214,616
2023	214,615
2024-25	<u>429,228</u>
Total minimum lease payments	1,637,059
Less: amount representing interest	<u>142,738</u>
Present value of minimum lease payments	<u>\$ 1,494,321</u>
Due within one year	<u>\$ 221,429</u>

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 8 – GENERAL OBLIGATION BONDS PAYABLE

Bonds payable at year end consisted of the following outstanding general obligation bonds. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt.

<u>Purpose</u>	<u>Original Amount Issued</u>	<u>Interest Rates</u>	<u>Remaining Maturities</u>	<u>Outstanding Principal June 30, 2018</u>	<u>Due Within One Year</u>
Governmental activities:					
School Improvement Bonds, Project 2006, Series B	\$ 17,845,000	4.5%-5.0%	7/1/19-26	\$ 820,000	\$ 820,000
Refunding Bonds, Series 2015	19,985,000	2.0%-5.0%	7/1/19-26	18,335,000	1,275,000
Total				<u>\$ 19,155,000</u>	<u>\$ 2,095,000</u>

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

		<u>Governmental Activities</u>	
		<u>Principal</u>	<u>Interest</u>
Year ending June 30:	2019	\$ 2,095,000	\$ 811,500
	2020	2,195,000	719,500
	2021	2,230,000	675,600
	2022	2,305,000	608,700
	2023	2,410,000	516,500
	2024-26	7,920,000	804,750
	Total	<u>\$ 19,155,000</u>	<u>\$ 4,136,550</u>

In prior years, the District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At year end, \$7.0 million of defeased bonds are still outstanding.

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 9 – CHANGES IN LONG-TERM LIABILITIES

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 21,190,000	\$	\$ 2,035,000	\$19,155,000	\$ 2,095,000
Premium	1,855,121		265,018	1,590,103	
Total bonds payable	<u>23,045,121</u>		<u>2,300,018</u>	<u>20,745,103</u>	<u>2,095,000</u>
Obligations under capital leases	1,754,115		259,794	1,494,321	221,429
Net OPEB liability	45,230	391		45,621	
Net pension liability	21,761,302		1,791,799	19,969,503	
Compensated absences payable	571,214	277,359	228,871	619,702	218,706
Governmental activity long-term liabilities	<u>\$ 47,176,982</u>	<u>\$ 277,750</u>	<u>\$ 4,580,482</u>	<u>\$42,874,250</u>	<u>\$ 2,535,135</u>

NOTE 10 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At year end, interfund balances were as follows:

Due to/from other funds:

	General Fund	Unrestricted Capital Outlay Fund	Total Due to Other Funds
Special Education Grants Fund	\$ 64,782	\$	\$ 64,782
Building Renewal Grant Fund		9,489	9,489
Non-Major Governmental Funds	224,045		224,045
Total Due from Other Funds	<u>\$ 288,827</u>	<u>\$ 9,489</u>	<u>\$ 298,316</u>

At year end, the Special Education Grants Fund and several non-major governmental funds had negative cash balances in the Treasurer's pooled cash accounts. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with the General Fund. Additionally, at year end the Building Renewal Grant Fund owed the Unrestricted Capital Outlay Fund for amounts borrowed during the year. All interfund balances are expected to be paid within one year.

Interfund transfers – Transfers between funds of \$35,533 were used to move federal grant funds restricted for indirect costs.

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 11 – CONTINGENT LIABILITIES

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

NOTE 12 – 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'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 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.

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 13 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

Aggregate Amounts. At June 30, 2018, the District reported the following aggregate amounts related to pensions and OPEB for all plans to which it contributes:

	Pension	OPEB
Net assets	\$	\$ (67,571)
Net liability	19,969,503	45,621
Deferred outflows of resources	2,502,838	82,137
Deferred inflows of resources	2,405,547	82,993
Expense	(227,101)	63,861
Contributions	1,492,150	82,137

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

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

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 13 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

Retired and disabled members, with at least five years of credited service, are eligible to receive health insurance premium benefits. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with 10 or more years of service, benefits range from \$150 per month to \$260 per month depending on the age of the member and dependents. For members with five to nine years of service, the benefits are the same dollar amounts as above multiplied by a vesting fraction based on completed years of service.

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

Contributions. In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.50 percent (11.34 percent for retirement and 0.16 percent for long-term disability) of the members' annual covered payroll, and the District was required by statute to contribute at the actuarially determined rate of 11.50 percent (10.90 percent for retirement, 0.44 percent for health insurance premium benefit, and 0.16 percent for long-term disability) of the active members' annual covered payroll. The District's contributions for the year ended June 30, 2018 were as follows:

	<u>Contributions</u>
Pension	\$ 1,492,150
Health Insurance Premium	60,234
Long-Term Disability	21,903

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 13 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Employers are also required to pay an Alternate Contribution Rate (ACR), for retired members who return to work in positions that would typically be filled by an employee who contributes to ASRS. The District was required by statute to contribute at the actuarially determined rate of 9.49 percent (9.26 for retirement, 0.10 percent for health insurance premium benefit, and 0.13 percent for long-term disability). ACR contributions are included in employer contributions presented above.

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

Pension and OPEB Assets/Liability. The net pension and OPEB assets/liability were measured as of June 30, 2017. The total liability used to calculate the net asset or net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2016, to the measurement date of June 30, 2017. The District's proportion of the net assets/liability was based on the District's actual contributions to the applicable plan relative to the total of all participating employers' contributions to the plan for the year ended June 30, 2017.

At June 30, 2018, the District reported the following amounts for its proportionate share of the ASRS plans net assets/liability. In addition, at June 30, 2017, the District's percentage proportion for each plan and the related change from its proportion measured as of June 30, 2016 was:

	Net (Assets) Liability	District % Proportion	Increase (Decrease)
Pension	\$ 19,969,503	0.128	(0.007)
Health Insurance Premium	(67,571)	0.124	
Long-Term Disability	45,621	0.126	

Pension/OPEB Expense and Deferred Outflows/Inflows of Resources. The District has deferred outflows and inflows of resources related to the net pension and OPEB assets/liabilities. Certain changes in the net pension and OPEB assets/liability are recognized as pension and OPEB expense over a period of time rather than the year of occurrence. For the year ended June 30, 2018, the District recognized pension and OPEB expense as follows:

	Expense
Pension	\$ (227,101)
Health Insurance Premium	39,522
Long-Term Disability	24,339

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 13 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

Deferred Outflows of Resources			
	Pension	Health Insurance Premium	Long-Term Disability
Changes of assumptions or other inputs	\$ 867,321	\$	\$
Net difference between projected and actual earnings on pension investments	143,367		
Contributions subsequent to the measurement date	1,492,150	60,234	21,903
Total	<u>\$ 2,502,838</u>	<u>\$ 60,234</u>	<u>\$ 21,903</u>
Deferred Inflows of Resources			
	Pension	Health Insurance Premium	Long-Term Disability
Differences between expected and actual experience	\$ 598,796	\$	\$
Changes of assumptions or other inputs	597,124		
Net difference between projected and actual earnings on pension investments		76,082	6,824
Changes in proportion and differences between contributions and proportionate share of contributions	1,209,627	80	7
Total	<u>\$ 2,405,547</u>	<u>\$ 76,162</u>	<u>\$ 6,831</u>

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 13 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

The amounts of deferred outflows of resources resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as an adjustment of the net pension and OPEB assets/liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be recognized in pension and OPEB expense as follows:

Year Ending June 30:	Pension	Health Insurance Premium	Long-Term Disability
2019	\$ (1,533,180)	\$ (19,038)	\$ (1,708)
2020	420,488	(19,038)	(1,708)
2021	177,192	(19,038)	(1,708)
2022	(459,358)	(19,038)	(1,707)
2023		(12)	

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

	Pension	OPEB
Actuarial valuation date	June 30, 2016	June 30, 2016
Actuarial roll forward date	June 30, 2017	June 30, 2017
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return	8.0%	8.0%
Projected salary increases	3.0-6.75%	Not applicable
Inflation	3.0%	3.0%
Permanent base increases	Included	Not applicable
Mortality rates	1994 GAM Scale BB	1994 GAM Scale BB
Healthcare cost trend rate	Not applicable	Not applicable

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2012. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2013, actuarial valuation. The study did not include an analysis of the assumed investment rate of return.

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 13 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

The long-term expected rate of return on ASRS plan investments was determined to be 8.70 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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

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

Discount Rate. The discount rate used to measure the ASRS total pension and OPEB liability was 8.0 percent, which is less than the long-term expected rate of return of 8.70 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board's funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension and OPEB liability.

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 13 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

	Proportionate share of the net (assets) liability		
	1% Decrease	Current Discount Rate	1% Increase
Rate	7.0%	8.0%	9.0%
Pension	\$ 25,631,204	\$ 19,969,503	\$ 15,238,667
Health Insurance Premium	112,216	(67,571)	(220,359)
Long-Term Disability	54,552	45,621	38,050

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

Beginning Net Position Restatement. The implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, represents a change in accounting principle. Net position as of July 1, 2017, has been restated as follows for this change in accounting principle:

	Statement of Activities
Net position, June 30, 2017, as previously reported	\$ 44,552,995
Net OPEB asset	30,931
Net OPEB liability	(28,113)
Net position, July 1, 2017, as restated	<u>\$ 44,555,813</u>

REQUIRED SUPPLEMENTARY INFORMATION

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL
YEAR ENDED JUNE 30, 2018

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other local	\$	\$	\$ 791,509	\$ 791,509
Property taxes			12,825,704	12,825,704
State aid and grants			11,514,072	11,514,072
Total revenues			<u>25,131,285</u>	<u>25,131,285</u>
Expenditures:				
Current -				
Instruction	13,146,898	13,987,044	10,296,393	3,690,651
Support services - students and staff	2,769,000	2,769,000	2,756,139	12,861
Support services - administration	2,983,000	2,983,000	3,303,694	(320,694)
Operation and maintenance of plant services	4,590,500	4,590,500	4,161,260	429,240
Student transportation services	3,850,000	3,850,000	3,309,536	540,464
Operation of non-instructional services	156,200	156,200	179,510	(23,310)
Total expenditures	<u>27,495,598</u>	<u>28,335,744</u>	<u>24,006,532</u>	<u>4,329,212</u>
Changes in fund balances	<u>(27,495,598)</u>	<u>(28,335,744)</u>	<u>1,124,753</u>	<u>29,460,497</u>
Fund balances, beginning of year			4,441,223	4,441,223
Increase (decrease) in reserve for prepaid items			(1,267,637)	(1,267,637)
Fund balances (deficits), end of year	<u>\$ (27,495,598)</u>	<u>\$ (28,335,744)</u>	<u>\$ 4,298,339</u>	<u>\$ 32,634,083</u>

See accompanying notes to this schedule.

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL EDUCATION GRANTS
YEAR ENDED JUNE 30, 2018

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Federal aid, grants and reimbursements	\$	\$	\$ 399,070	\$ 399,070
Total revenues			<u>399,070</u>	<u>399,070</u>
Expenditures:				
Current -				
Instruction	214,075	277,164	208,476	68,688
Support services - students and staff	210,582	272,640	205,074	67,566
Student transportation services	18,847	24,401	18,354	6,047
Capital outlay	106,496	137,881	103,711	34,170
Total expenditures	<u>550,000</u>	<u>712,086</u>	<u>535,615</u>	<u>176,471</u>
Excess (deficiency) of revenues over expenditures	<u>(550,000)</u>	<u>(712,086)</u>	<u>(136,545)</u>	<u>575,541</u>
Other financing sources (uses):				
Transfers out			(30,586)	(30,586)
Total other financing sources (uses)			<u>(30,586)</u>	<u>(30,586)</u>
Changes in fund balances	<u>(550,000)</u>	<u>(712,086)</u>	<u>(167,131)</u>	<u>544,955</u>
Fund balances, beginning of year				
Fund balances (deficits), end of year	<u>\$ (550,000)</u>	<u>\$ (712,086)</u>	<u>\$ (167,131)</u>	<u>\$ 544,955</u>

See accompanying notes to this schedule.

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
ARIZONA STATE RETIREMENT SYSTEM
LAST FOUR FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Measurement date	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension (assets) liability	0.13%	0.13%	0.14%	0.14%
District's proportionate share of the net pension (assets) liability	\$ 19,969,503	\$ 21,761,302	\$ 22,103,935	\$ 21,414,048
District's covered payroll	\$ 12,507,764	\$ 12,428,276	\$ 13,062,057	\$ 13,013,654
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	159.66%	175.10%	169.22%	164.55%
Plan fiduciary net position as a percentage of the total pension liability	69.92%	67.06%	68.35%	69.49%

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 1,492,150	\$ 1,348,337	\$ 1,348,468	\$ 1,422,448
Contributions in relation to the actuarially determined contribution	<u>1,492,150</u>	<u>1,348,337</u>	<u>1,348,468</u>	<u>1,422,448</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 13,689,450	\$ 12,507,764	\$ 12,428,276	\$ 13,062,057
Contributions as a percentage of covered payroll	10.90%	10.78%	10.85%	10.89%

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

See accompanying notes to this schedule.

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
ARIZONA STATE RETIREMENT SYSTEM - HEALTH INSURANCE PREMIUM
JUNE 30, 2018

2018

Measurement date	June 30, 2017
District's proportion of the net OPEB (assets) liability	0.12%
District's proportionate share of the net OPEB (assets) liability	\$ (67,571)
District's covered payroll	\$ 12,507,764
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	-0.54%
Plan fiduciary net position as a percentage of the total OPEB liability	103.57%

SCHEDULE OF OPEB CONTRIBUTIONS
ARIZONA STATE RETIREMENT SYSTEM - HEALTH INSURANCE PREMIUM
JUNE 30, 2018

2018

Actuarially determined contribution	\$ 60,234
Contributions in relation to the actuarially determined contribution	<u>60,234</u>
Contribution deficiency (excess)	<u>\$</u>
District's covered payroll	\$ 13,689,450
Contributions as a percentage of covered payroll	0.44%

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

See accompanying notes to this schedule.

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
ARIZONA STATE RETIREMENT SYSTEM - LONG-TERM DISABILITY
JUNE 30, 2018

2018

Measurement date	June 30, 2017
District's proportion of the net OPEB (assets) liability	0.13%
District's proportionate share of the net OPEB (assets) liability	\$ 45,621
District's covered payroll	\$ 12,507,764
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	0.36%
Plan fiduciary net position as a percentage of the total OPEB liability	84.44%

SCHEDULE OF OPEB CONTRIBUTIONS
ARIZONA STATE RETIREMENT SYSTEM - LONG-TERM DISABILITY
JUNE 30, 2018

2018

Actuarially determined contribution	\$ 21,903
Contributions in relation to the actuarially determined contribution	<u>21,903</u>
Contribution deficiency (excess)	<u><u>\$</u></u>
District's covered payroll	\$ 13,689,450
Contributions as a percentage of covered payroll	0.16%

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

See accompanying notes to this schedule.

CASA GRANDE UNION HIGH SCHOOL NO. 82
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2018

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

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

- Certain activities reported in the General Fund are budgeted in separate funds in accordance with Arizona Revised Statutes.
- Prepaid items are budgeted in the year prepaid.

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	\$ 25,383,098	\$ 6,028,318
Activity budgeted as special revenue funds	(1,051,656)	(1,696,913)
Activity budgeted as capital projects funds	(40,328)	(33,066)
Current-year prepaid items	167,466	
Prior-year prepaid items	<u>(452,048)</u>	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	<u>\$ 24,006,532</u>	<u>\$ 4,298,339</u>

NOTE 2 – PENSION AND OPEB PLAN SCHEDULES

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

Factors that Affect Trends. The actuarial assumptions used in the June 30, 2016, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2012. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2013, actuarial valuation. The study did not include an analysis of the assumed investment rate of return.

(This page intentionally left blank)

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

(This page intentionally left blank)

GOVERNMENTAL FUNDS

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2018

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
<u>ASSETS</u>			
Cash and investments	\$ 1,529,396	\$ 943,330	\$ 6,873
Property taxes receivable		92,542	
Accounts receivable	281,489		
Due from governmental entities	489,481		
Total assets	<u><u>\$ 2,300,366</u></u>	<u><u>\$ 1,035,872</u></u>	<u><u>\$ 6,873</u></u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES</u>			
<u>AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 110,671	\$	\$
Due to other funds	224,045		
Unearned revenues	39,947		
Total liabilities	<u>374,663</u>		
Deferred inflows of resources:			
Unavailable revenues - property taxes		85,661	
Unavailable revenues - intergovernmental	153,462		
Total deferred inflows of resources	<u>153,462</u>	<u>85,661</u>	
Fund balances (deficits):			
Restricted	1,844,385	950,211	6,873
Unassigned	(72,144)		
Total fund balances	<u>1,772,241</u>	<u>950,211</u>	<u>6,873</u>
Total liabilities, deferred inflows of resources			
and fund balances	<u><u>\$ 2,300,366</u></u>	<u><u>\$ 1,035,872</u></u>	<u><u>\$ 6,873</u></u>

Total Non-Major
Governmental
Funds

\$	2,479,599
	92,542
	281,489
	489,481
\$	<u>3,343,111</u>

\$	110,671
	224,045
	<u>39,947</u>
	<u>374,663</u>

	85,661
	<u>153,462</u>
	<u>239,123</u>

	2,801,469
	<u>(72,144)</u>
	<u>2,729,325</u>

\$	<u>3,343,111</u>
----	------------------

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
YEAR ENDED JUNE 30, 2018

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
Revenues:			
Other local	\$ 1,043,019	\$ 99,489	\$ 13
Property taxes		2,859,550	1,706
State aid and grants	2,219,590		
Federal aid, grants and reimbursements	2,830,986		
Total revenues	<u>6,093,595</u>	<u>2,959,039</u>	<u>1,719</u>
Expenditures:			
Current -			
Instruction	3,089,308		
Support services - students and staff	834,452		
Support services - administration	254,518		
Student transportation services	69,193		
Operation of non-instructional services	1,131,600		
Capital outlay	80,954		
Debt service -			
Principal retirement		2,035,000	
Interest and fiscal charges		876,750	
Total expenditures	<u>5,460,025</u>	<u>2,911,750</u>	
Excess (deficiency) of revenues over expenditures	<u>633,570</u>	<u>47,289</u>	<u>1,719</u>
Other financing sources (uses):			
Transfers out	(4,947)		
Total other financing sources (uses)	<u>(4,947)</u>		
Changes in fund balances	<u>628,623</u>	<u>47,289</u>	<u>1,719</u>
Fund balances, beginning of year	1,143,618	902,922	5,154
Fund balances, end of year	<u>\$ 1,772,241</u>	<u>\$ 950,211</u>	<u>\$ 6,873</u>

Total Non-Major
Governmental
Funds

\$	1,142,521
	2,861,256
	2,219,590
	2,830,986
	<hr/> 9,054,353 <hr/>

3,089,308
834,452
254,518
69,193
1,131,600
80,954

2,035,000
876,750
<hr/> 8,371,775 <hr/>

<hr/> 682,578 <hr/>

<hr/> (4,947) <hr/>

<hr/> (4,947) <hr/>

<hr/> 677,631 <hr/>

2,051,694

\$	2,729,325
	<hr/>
	<hr/>

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.

Student Success - to account for student success monies.

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

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

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

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

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

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.

Taylor Grazing Fees - to account for financial assistance received for the purpose of protecting public lands by preventing over-grazing and soil deterioration and to provide for orderly use, improvement and development, and stabilization of the livestock industry.

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

Impact Aid - to account for financial assistance to local educational agencies that are financially burdened by federal activities.

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.

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

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

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

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

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

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

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

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

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

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

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

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.

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

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>Title I Grants</u>
<u>ASSETS</u>			
Cash and investments	\$ 12,105	\$ 314,794	\$
Accounts receivable			
Due from governmental entities	155,600	71,301	30,320
Total assets	<u>\$ 167,705</u>	<u>\$ 386,095</u>	<u>\$ 30,320</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$ 11,855
Due to other funds			18,465
Unearned revenues			
Total liabilities			<u>30,320</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			<u>30,320</u>
Fund balances (deficits):			
Restricted	167,705	386,095	
Unassigned			(30,320)
Total fund balances	<u>167,705</u>	<u>386,095</u>	<u>(30,320)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 167,705</u>	<u>\$ 386,095</u>	<u>\$ 30,320</u>

Professional Development and Technology Grants	Title IV Grants	Limited English & Immigrant Students	Indian Education	Vocational Education	E-Rate
\$	\$	\$	\$ 37,913	\$	\$ 114,410
16,697	1,339	85		23,703	65,589
<u>\$ 16,697</u>	<u>\$ 1,339</u>	<u>\$ 85</u>	<u>\$ 37,913</u>	<u>\$ 23,703</u>	<u>\$ 179,999</u>
\$	\$	\$	\$	\$	\$
16,697	1,339	85		23,703	
<u>16,697</u>	<u>1,339</u>	<u>85</u>	<u>37,913</u> <u>37,913</u>	<u>23,703</u>	
<u>16,697</u>	<u>1,339</u>	<u>85</u>		<u>23,703</u>	
(16,697)	(1,339)	(85)		(23,703)	179,999
<u>(16,697)</u>	<u>(1,339)</u>	<u>(85)</u>		<u>(23,703)</u>	<u>179,999</u>
<u>\$ 16,697</u>	<u>\$ 1,339</u>	<u>\$ 85</u>	<u>\$ 37,913</u>	<u>\$ 23,703</u>	<u>\$ 179,999</u>

(Continued)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018

	<u>Other Federal Projects</u>	<u>State Vocational Education</u>	<u>College Credit Exam Incentives</u>
<u>ASSETS</u>			
Cash and investments	\$	\$ 2,034	\$ 10,800
Accounts receivable			
Due from governmental entities	124,847		
Total assets	<u>\$ 124,847</u>	<u>\$ 2,034</u>	<u>\$ 10,800</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 9,000	\$	\$
Due to other funds	14,052		
Unearned revenues		2,034	
Total liabilities	<u>23,052</u>	<u>2,034</u>	
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>81,318</u>		
Fund balances (deficits):			
Restricted	20,477		10,800
Unassigned			
Total fund balances	<u>20,477</u>		<u>10,800</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 124,847</u>	<u>\$ 2,034</u>	<u>\$ 10,800</u>

Results-based Funding	Other State Projects	Food Service	Civic Center	Community School	Extracurricular Activities Fees Tax Credit
\$ 17,625	\$ 18,503	\$ 972,907 12,310	\$ 27,437 1,481	\$ 68	\$ 800
<u>\$ 17,625</u>	<u>\$ 18,503</u>	<u>\$ 985,217</u>	<u>\$ 28,918</u>	<u>\$ 68</u>	<u>\$ 800</u>
\$	\$	\$ 84,114	\$	\$	\$
		<u>84,114</u>			
17,625	18,503	901,103	28,918	68	800
<u>17,625</u>	<u>18,503</u>	<u>901,103</u>	<u>28,918</u>	<u>68</u>	<u>800</u>
<u>\$ 17,625</u>	<u>\$ 18,503</u>	<u>\$ 985,217</u>	<u>\$ 28,918</u>	<u>\$ 68</u>	<u>\$ 800</u>

(Continued)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018

	Joint Technical Education	Totals
<u>ASSETS</u>		
Cash and investments	\$	\$ 1,529,396
Accounts receivable	267,698	281,489
Due from governmental entities		489,481
Total assets	<u>\$ 267,698</u>	<u>\$ 2,300,366</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>		
Liabilities:		
Accounts payable	\$ 5,702	\$ 110,671
Due to other funds	149,704	224,045
Unearned revenues		39,947
Total liabilities	<u>155,406</u>	<u>374,663</u>
Deferred inflows of resources:		
Unavailable revenues - intergovernmental		<u>153,462</u>
Fund balances (deficits):		
Restricted	112,292	1,844,385
Unassigned		(72,144)
Total fund balances	<u>112,292</u>	<u>1,772,241</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 267,698</u>	<u>\$ 2,300,366</u>

(This page intentionally left blank)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>Title I Grants</u>
Revenues:			
Other local	\$ 3,586	\$ 3,965	\$
State aid and grants	1,867,205	165,652	
Federal aid, grants and reimbursements			857,176
Total revenues	<u>1,870,791</u>	<u>169,617</u>	<u>857,176</u>
Expenditures:			
Current -			
Instruction	1,833,122	118,575	494,516
Support services - students and staff	52,595		207,215
Support services - administration			167,629
Student transportation services			17,600
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>1,885,717</u>	<u>118,575</u>	<u>886,960</u>
Excess (deficiency) of revenues over expenditures	<u>(14,926)</u>	<u>51,042</u>	<u>(29,784)</u>
Other financing sources (uses):			
Transfers out			(536)
Total other financing sources (uses)			<u>(536)</u>
Changes in fund balances	<u>(14,926)</u>	<u>51,042</u>	<u>(30,320)</u>
Fund balances, beginning of year	182,631	335,053	
Fund balances (deficits), end of year	<u>\$ 167,705</u>	<u>\$ 386,095</u>	<u>\$ (30,320)</u>

Professional Development and Technology Grants	Title IV Grants	Limited English & Immigrant Students	Indian Education	Vocational Education	E-Rate
\$	\$	\$	\$	\$	\$
96,381	14,309		65,606	244,685	169,195
96,381	14,309		65,606	244,685	169,195
106,472	15,648	85	3,222	173,531	
2,195			39,645	47,389	
			22,739	16,186	
108,667	15,648	85	65,606	31,282	
(12,286)	(1,339)	(85)		268,388	169,195
(4,411)				(23,703)	
(4,411)					
(16,697)	(1,339)	(85)		(23,703)	169,195
					10,804
\$ (16,697)	\$ (1,339)	\$ (85)	\$	\$ (23,703)	\$ 179,999

(Continued)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Other Federal Projects	State Vocational Education	College Credit Exam Incentives
Revenues:			
Other local	\$	\$	\$
State aid and grants		115,881	10,800
Federal aid, grants and reimbursements	428,310		
Total revenues	<u>428,310</u>	<u>115,881</u>	<u>10,800</u>
Expenditures:			
Current -			
Instruction	145,304	33,080	
Support services - students and staff	262,245	65,622	
Support services - administration		17,179	
Student transportation services	284		
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>407,833</u>	<u>115,881</u>	<u></u>
Excess (deficiency) of revenues over expenditures	<u>20,477</u>	<u></u>	<u>10,800</u>
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)	<u></u>	<u></u>	<u></u>
Changes in fund balances	<u>20,477</u>	<u></u>	<u>10,800</u>
Fund balances, beginning of year			
Fund balances, end of year	<u>\$ 20,477</u>	<u>\$</u>	<u>\$ 10,800</u>

Results-based Funding	Other State Projects	Food Service	Civic Center	Community School	Extracurricular Activities Fees Tax Credit
\$ 19,206	\$ 40,846	\$ 563,216	\$ 28,918	\$ 1	\$ 800
		955,324			
19,206	40,846	1,518,540	28,918	1	800
1,581					
		1,131,600			
1,581	22,343				
	22,343	1,131,600			
17,625	18,503	386,940	28,918	1	800
17,625	18,503	386,940	28,918	1	800
		514,163		67	
\$ 17,625	\$ 18,503	\$ 901,103	\$ 28,918	\$ 68	\$ 800

(Continued)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Joint Technical Education	Totals
Revenues:		
Other local	\$ 442,533	\$ 1,043,019
State aid and grants		2,219,590
Federal aid, grants and reimbursements		2,830,986
Total revenues	<u>442,533</u>	<u>6,093,595</u>
Expenditures:		
Current -		
Instruction	286,377	3,089,308
Support services - students and staff	37,536	834,452
Support services - administration	28,590	254,518
Student transportation services	51,309	69,193
Operation of non-instructional services		1,131,600
Capital outlay	27,329	80,954
Total expenditures	<u>431,141</u>	<u>5,460,025</u>
Excess (deficiency) of revenues over expenditures	<u>11,392</u>	<u>633,570</u>
Other financing sources (uses):		
Transfers out		(4,947)
Total other financing sources (uses)		<u>(4,947)</u>
Changes in fund balances	<u>11,392</u>	<u>628,623</u>
Fund balances, beginning of year	100,900	1,143,618
Fund balances, end of year	<u>\$ 112,292</u>	<u>\$ 1,772,241</u>

(This page intentionally left blank)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 3,586	\$ 3,586
State aid and grants		1,867,205	1,867,205
Federal aid, grants and reimbursements			
Total revenues		<u>1,870,791</u>	<u>1,870,791</u>
Expenditures:			
Current -			
Instruction	1,935,653	1,833,122	102,531
Support services - students and staff	54,527	52,595	1,932
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>1,990,180</u>	<u>1,885,717</u>	<u>104,463</u>
Excess (deficiency) of revenues over expenditures	<u>(1,990,180)</u>	<u>(14,926)</u>	<u>1,975,254</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	<u>(1,990,180)</u>	<u>(14,926)</u>	<u>1,975,254</u>
Fund balances, beginning of year		182,631	182,631
Fund balances (deficits), end of year	<u>\$ (1,990,180)</u>	<u>\$ 167,705</u>	<u>\$ 2,157,885</u>

Instructional Improvement			Student Success		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 3,965 165,652	\$ 3,965 165,652	\$	\$ 627	\$ 627
	169,617	169,617		627	627
344,524	118,575	225,949			
344,524	118,575	225,949			
(344,524)	51,042	395,566		627	627
(344,524)	51,042	395,566		627	627
	335,053	335,053		50,079	50,079
\$ (344,524)	\$ 386,095	\$ 730,619	\$	\$ 50,706	\$ 50,706

(Continued)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Title I Grants		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		857,176	857,176
Total revenues		<u>857,176</u>	<u>857,176</u>
Expenditures:			
Current -			
Instruction	541,912	494,516	47,396
Support services - students and staff	227,075	207,215	19,860
Support services - administration	183,695	167,629	16,066
Operation and maintenance of plant services			
Student transportation services	19,287	17,600	1,687
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>971,969</u>	<u>886,960</u>	<u>85,009</u>
Excess (deficiency) of revenues over expenditures	<u>(971,969)</u>	<u>(29,784)</u>	<u>942,185</u>
Other financing sources (uses):			
Transfers in			
Transfers out		(536)	(536)
Insurance recoveries			
Total other financing sources (uses)		<u>(536)</u>	<u>(536)</u>
Changes in fund balances	<u>(971,969)</u>	<u>(30,320)</u>	<u>941,649</u>
Fund balances, beginning of year			
Fund balances (deficits), end of year	<u>\$ (971,969)</u>	<u>\$ (30,320)</u>	<u>\$ 941,649</u>

Professional Development and Technology Grants			Title IV Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	96,381	96,381		14,309	14,309
	96,381	96,381		14,309	14,309
120,485	106,472	14,013	15,756	15,648	108
2,484	2,195	289			
122,969	108,667	14,302	15,756	15,648	108
(122,969)	(12,286)	110,683	(15,756)	(1,339)	14,417
	(4,411)	(4,411)			
	(4,411)	(4,411)			
(122,969)	(16,697)	106,272	(15,756)	(1,339)	14,417
\$ (122,969)	\$ (16,697)	\$ 106,272	\$ (15,756)	\$ (1,339)	\$ 14,417

(Continued)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Limited English & Immigrant Students		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues			
Expenditures:			
Current -			
Instruction			
Support services - students and staff	9,000	85	8,915
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	9,000	85	8,915
Excess (deficiency) of revenues over expenditures	(9,000)	(85)	8,915
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	(9,000)	(85)	8,915
Fund balances, beginning of year			
Fund balances (deficits), end of year	\$ (9,000)	\$ (85)	\$ 8,915

Indian Education			Vocational Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	65,606	65,606		244,685	244,685
	65,606	65,606		244,685	244,685
2,796	3,222	(426)	209,334	173,531	35,803
34,401	39,645	(5,244)	57,167	47,389	9,778
19,731	22,739	(3,008)	19,526	16,186	3,340
			37,736	31,282	6,454
56,928	65,606	(8,678)	323,763	268,388	55,375
(56,928)		56,928	(323,763)	(23,703)	300,060
(56,928)		56,928	(323,763)	(23,703)	300,060
\$ (56,928)	\$	\$ 56,928	\$ (323,763)	\$ (23,703)	\$ 300,060

(Continued)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Medicaid Reimbursement		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		130,707	130,707
Total revenues		<u>130,707</u>	<u>130,707</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff	307,337	81,842	225,495
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services	5,178	1,379	3,799
Capital outlay	127,689	34,003	93,686
Total expenditures	<u>440,204</u>	<u>117,224</u>	<u>322,980</u>
Excess (deficiency) of revenues over expenditures	<u>(440,204)</u>	<u>13,483</u>	<u>453,687</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	<u>(440,204)</u>	<u>13,483</u>	<u>453,687</u>
Fund balances, beginning of year		437,548	437,548
Fund balances (deficits), end of year	<u>\$ (440,204)</u>	<u>\$ 451,031</u>	<u>\$ 891,235</u>

Taylor Grazing Fees			E-Rate		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
				169,195	169,195
				169,195	169,195
			111,109		111,109
	394	(394)			
	394	(394)	111,109		111,109
	(394)	(394)	(111,109)	169,195	280,304
	(394)	(394)	(111,109)	169,195	280,304
	11,783	11,783		10,804	10,804
\$	\$ 11,389	\$ 11,389	\$ (111,109)	\$ 179,999	\$ 291,108

(Continued)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Impact Aid		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		81,630	81,630
Total revenues		<u>81,630</u>	<u>81,630</u>
Expenditures:			
Current -			
Instruction	57,770	128,370	(70,600)
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>57,770</u>	<u>128,370</u>	<u>(70,600)</u>
Excess (deficiency) of revenues over expenditures	<u>(57,770)</u>	<u>(46,740)</u>	<u>11,030</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	<u>(57,770)</u>	<u>(46,740)</u>	<u>11,030</u>
Fund balances, beginning of year		70,682	70,682
Fund balances (deficits), end of year	<u>\$ (57,770)</u>	<u>\$ 23,942</u>	<u>\$ 81,712</u>

Other Federal Projects			State Vocational Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	428,310	428,310		115,881	115,881
	428,310	428,310		115,881	115,881
34,123	145,304	(111,181)	34,586	33,080	1,506
61,585	262,245	(200,660)	68,611	65,622	2,989
			17,961	17,179	782
67	284	(217)			
95,775	407,833	(312,058)	121,158	115,881	5,277
(95,775)	20,477	116,252	(121,158)		121,158
(95,775)	20,477	116,252	(121,158)		121,158
\$ (95,775)	\$ 20,477	\$ 116,252	\$ (121,158)	\$	\$ 121,158

(Continued)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	College Credit Exam Incentives		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants		10,800	10,800
Federal aid, grants and reimbursements			
Total revenues		10,800	10,800
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures			
Excess (deficiency) of revenues over expenditures		10,800	10,800
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances		10,800	10,800
Fund balances, beginning of year			
Fund balances (deficits), end of year	\$	\$ 10,800	\$ 10,800

Results-based Funding			Other State Projects		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	19,206	19,206		40,846	40,846
	19,206	19,206		40,846	40,846
19,205	1,581	17,624			
19,205	1,581	17,624	40,471	22,343	18,128
			40,471	22,343	18,128
(19,205)	17,625	36,830	(40,471)	18,503	58,974
(19,205)	17,625	36,830	(40,471)	18,503	58,974
\$ (19,205)	\$ 17,625	\$ 36,830	\$ (40,471)	\$ 18,503	\$ 58,974

(Continued)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	School Plant		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 13,091	\$ 13,091
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		13,091	13,091
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services	20,736		20,736
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	20,736		20,736
Excess (deficiency) of revenues over expenditures	(20,736)	13,091	33,827
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	(20,736)	13,091	33,827
Fund balances, beginning of year		13,019	13,019
Fund balances (deficits), end of year	\$ (20,736)	\$ 26,110	\$ 46,846

Food Service			Civic Center		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 563,216	\$ 563,216	\$	\$ 28,918	\$ 28,918
	955,324	955,324			
	<u>1,518,540</u>	<u>1,518,540</u>		<u>28,918</u>	<u>28,918</u>
810,009	1,131,600	(321,591)	21,734		21,734
<u>810,009</u>	<u>1,131,600</u>	<u>(321,591)</u>	<u>21,734</u>		<u>21,734</u>
<u>(810,009)</u>	<u>386,940</u>	<u>1,196,949</u>	<u>(21,734)</u>	<u>28,918</u>	<u>50,652</u>
<u>(810,009)</u>	<u>386,940</u>	<u>1,196,949</u>	<u>(21,734)</u>	<u>28,918</u>	<u>50,652</u>
	514,163	514,163			
<u>\$ (810,009)</u>	<u>\$ 901,103</u>	<u>\$ 1,711,112</u>	<u>\$ (21,734)</u>	<u>\$ 28,918</u>	<u>\$ 50,652</u>

(Continued)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Community School		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 1	\$ 1
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>1</u>	<u>1</u>
Expenditures:			
Current -			
Instruction	67		67
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>67</u>		<u>67</u>
Excess (deficiency) of revenues over expenditures	<u>(67)</u>	<u>1</u>	<u>68</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	<u>(67)</u>	<u>1</u>	<u>68</u>
Fund balances, beginning of year		67	67
Fund balances (deficits), end of year	<u>\$ (67)</u>	<u>\$ 68</u>	<u>\$ 135</u>

Auxiliary Operations			Extracurricular Activities Fees Tax Credit		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,133,880	\$ 1,133,880	\$	\$ 800	\$ 800
	<u>1,133,880</u>	<u>1,133,880</u>		<u>800</u>	<u>800</u>
344,266	766,603	(422,337)	800		800
<u>344,266</u>	<u>766,603</u>	<u>(422,337)</u>	<u>800</u>		<u>800</u>
<u>(344,266)</u>	<u>367,277</u>	<u>711,543</u>	<u>(800)</u>	<u>800</u>	<u>1,600</u>
<u>(344,266)</u>	<u>367,277</u>	<u>711,543</u>	<u>(800)</u>	<u>800</u>	<u>1,600</u>
	486,628	486,628			
<u>\$ (344,266)</u>	<u>\$ 853,905</u>	<u>\$ 1,198,171</u>	<u>\$ (800)</u>	<u>\$ 800</u>	<u>\$ 1,600</u>

(Continued)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Gifts and Donations		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 31,325	\$ 31,325
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>31,325</u>	<u>31,325</u>
Expenditures:			
Current -			
Instruction	68,024	11,260	56,764
Support services - students and staff	80,372	13,304	67,068
Support services - administration	3,625	600	3,025
Operation and maintenance of plant services	51,955	8,600	43,355
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>203,976</u>	<u>33,764</u>	<u>170,212</u>
Excess (deficiency) of revenues over expenditures	<u>(203,976)</u>	<u>(2,439)</u>	<u>201,537</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	<u>(203,976)</u>	<u>(2,439)</u>	<u>201,537</u>
Fund balances, beginning of year		208,805	208,805
Fund balances (deficits), end of year	<u>\$ (203,976)</u>	<u>\$ 206,366</u>	<u>\$ 410,342</u>

Insurance Proceeds			Litigation Recovery		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 359	\$ 359	\$	\$ 2,000	\$ 2,000
	359	359		2,000	2,000
37,266		37,266	4,986		4,986
37,266		37,266	4,986		4,986
(37,266)	359	37,625	(4,986)	2,000	6,986
	15,789	15,789			
	15,789	15,789			
(37,266)	16,148	53,414	(4,986)	2,000	6,986
	21,264	21,264		2,986	2,986
\$ (37,266)	\$ 37,412	\$ 74,678	\$ (4,986)	\$ 4,986	\$ 9,972

(Continued)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Indirect Costs		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 834	\$ 834
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>834</u>	<u>834</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration		5,301	(5,301)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures		<u>5,301</u>	<u>(5,301)</u>
Excess (deficiency) of revenues over expenditures		<u>(4,467)</u>	<u>(4,467)</u>
Other financing sources (uses):			
Transfers in		35,533	35,533
Transfers out			
Insurance recoveries			
Total other financing sources (uses)		<u>35,533</u>	<u>35,533</u>
Changes in fund balances		<u>31,066</u>	<u>31,066</u>
Fund balances, beginning of year			
Fund balances (deficits), end of year	<u>\$</u>	<u>\$ 31,066</u>	<u>\$ 31,066</u>

Joint Technical Education			Totals		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 442,533	\$ 442,533	\$	\$ 2,225,135	\$ 2,225,135
				2,219,590	2,219,590
				3,043,323	3,043,323
	442,533	442,533		7,488,048	7,488,048
398,906	286,377	112,529	4,145,327	3,995,541	149,786
52,285	37,536	14,749	1,088,601	929,598	159,003
39,824	28,590	11,234	286,846	260,813	26,033
			72,691	8,600	64,091
71,470	51,309	20,161	90,824	69,193	21,631
			815,187	1,132,979	(317,792)
38,068	27,329	10,739	265,698	114,957	150,741
600,553	431,141	169,412	6,765,174	6,511,681	253,493
(600,553)	11,392	611,945	(6,765,174)	976,367	7,741,541
				35,533	35,533
				(4,947)	(4,947)
				15,789	15,789
				46,375	46,375
(600,553)	11,392	611,945	(6,765,174)	1,022,742	7,787,916
	100,900	100,900		2,446,412	2,446,412
\$ (600,553)	\$ 112,292	\$ 712,845	\$ (6,765,174)	\$ 3,469,154	\$ 10,234,328

(This page intentionally left blank)

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.

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2018

	Debt Service		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 99,489	\$ 99,489
Property taxes		2,859,550	2,859,550
Total revenues		<u>2,959,039</u>	<u>2,959,039</u>
Expenditures:			
Debt service -			
Principal retirement	1,777,060	2,035,000	(257,940)
Interest and fiscal charges	765,621	876,750	(111,129)
Total expenditures	<u>2,542,681</u>	<u>2,911,750</u>	<u>(369,069)</u>
Changes in fund balances	<u>(2,542,681)</u>	<u>47,289</u>	<u>2,589,970</u>
Fund balances, beginning of year		902,922	902,922
Fund balances (deficits), end of year	<u>\$ (2,542,681)</u>	<u>\$ 950,211</u>	<u>\$ 3,492,892</u>

CAPITAL PROJECTS FUNDS

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

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

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

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

New School Facilities - to account for monies received from the School Facilities Board to be used for constructing new school facilities and purchasing land for new school sites.

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2018

	<u>Adjacent Ways</u>	<u>New School Facilities</u>	<u>Totals</u>
<u>ASSETS</u>			
Cash and investments	\$ 6,225	\$ 648	\$ 6,873
Total assets	<u>\$ 6,225</u>	<u>\$ 648</u>	<u>\$ 6,873</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Fund balances:			
Restricted	\$ 6,225	\$ 648	\$ 6,873
Total fund balances	<u>6,225</u>	<u>648</u>	<u>6,873</u>
Total liabilities and fund balances	<u>\$ 6,225</u>	<u>\$ 648</u>	<u>\$ 6,873</u>

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2018

	<u>Adjacent Ways</u>	<u>New School Facilities</u>	<u>Totals</u>
Revenues:			
Other local	\$ 3	\$ 10	\$ 13
Property taxes	1,706		1,706
Total revenues	<u>1,709</u>	<u>10</u>	<u>1,719</u>
Changes in fund balances	<u>1,709</u>	<u>10</u>	<u>1,719</u>
Fund balances, beginning of year	4,516	638	5,154
Fund balances, end of year	<u><u>\$ 6,225</u></u>	<u><u>\$ 648</u></u>	<u><u>\$ 6,873</u></u>

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2018

	Unrestricted Capital Outlay		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 100,228	\$ 100,228
Property taxes		762,037	762,037
State aid and grants		789,930	789,930
Total revenues		<u>1,652,195</u>	<u>1,652,195</u>
Expenditures:			
Capital outlay	2,077,221	978,602	1,098,619
Debt service -			
Principal retirement	259,794	259,794	
Interest and fiscal charges	44,030	44,030	
Total expenditures	<u>2,381,045</u>	<u>1,282,426</u>	<u>1,098,619</u>
Changes in fund balances	<u>(2,381,045)</u>	<u>369,769</u>	<u>2,750,814</u>
Fund balances, beginning of year		2,561,873	2,561,873
Fund balances (deficits), end of year	<u>\$ (2,381,045)</u>	<u>\$ 2,931,642</u>	<u>\$ 5,312,687</u>

Adjacent Ways			Gifts and Donations - Capital		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 3 1,706	\$ 3 1,706	\$	\$	\$
	<u>1,709</u>	<u>1,709</u>			
4,852		4,852	73,394	40,328	33,066
<u>4,852</u>		<u>4,852</u>	<u>73,394</u>	<u>40,328</u>	<u>33,066</u>
<u>(4,852)</u>	<u>1,709</u>	<u>6,561</u>	<u>(73,394)</u>	<u>(40,328)</u>	<u>33,066</u>
	4,516	4,516		73,394	73,394
<u>\$ (4,852)</u>	<u>\$ 6,225</u>	<u>\$ 11,077</u>	<u>\$ (73,394)</u>	<u>\$ 33,066</u>	<u>\$ 106,460</u>

(Continued)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2018

	Building Renewal Grant		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 476	\$ 476
Property taxes			
State aid and grants		607,435	607,435
Total revenues		<u>607,911</u>	<u>607,911</u>
Expenditures:			
Capital outlay	16,293	638,750	(622,457)
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures	<u>16,293</u>	<u>638,750</u>	<u>(622,457)</u>
Changes in fund balances	<u>(16,293)</u>	<u>(30,839)</u>	<u>(14,546)</u>
Fund balances, beginning of year		26,080	26,080
Fund balances (deficits), end of year	<u>\$ (16,293)</u>	<u>\$ (4,759)</u>	<u>\$ 11,534</u>

New School Facilities			Totals		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 10	\$ 10	\$	\$ 100,717	\$ 100,717
				763,743	763,743
				1,397,365	1,397,365
	10	10		2,261,825	2,261,825
634		634	2,172,394	1,657,680	514,714
			259,794	259,794	
			44,030	44,030	
634		634	2,476,218	1,961,504	514,714
(634)	10	644	(2,476,218)	300,321	2,776,539
	638	638		2,666,501	2,666,501
\$ (634)	\$ 648	\$ 1,282	\$ (2,476,218)	\$ 2,966,822	\$ 5,443,040

(This page intentionally left blank)

AGENCY FUNDS

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

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

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2018

	<u>Student Activities</u>	<u>Employee Withholding</u>	<u>Totals</u>
<u>ASSETS</u>			
Cash and investments	\$ 128,728	\$ 1,822,679	\$ 1,951,407
Total assets	<u>\$ 128,728</u>	<u>\$ 1,822,679</u>	<u>\$ 1,951,407</u>
<u>LIABILITIES</u>			
Deposits held for others	\$	\$ 1,822,679	\$ 1,822,679
Due to student groups	128,728		128,728
Total liabilities	<u>\$ 128,728</u>	<u>\$ 1,822,679</u>	<u>\$ 1,951,407</u>

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 2018

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<u>STUDENT ACTIVITIES</u>				
<u>Assets</u>				
Cash and investments	\$ <u>258,981</u>	\$ <u>280,973</u>	\$ <u>411,226</u>	\$ <u>128,728</u>
Total assets	\$ <u><u>258,981</u></u>	\$ <u><u>280,973</u></u>	\$ <u><u>411,226</u></u>	\$ <u><u>128,728</u></u>
<u>Liabilities</u>				
Due to student groups	\$ <u>258,981</u>	\$ <u>280,973</u>	\$ <u>411,226</u>	\$ <u>128,728</u>
Total liabilities	\$ <u><u>258,981</u></u>	\$ <u><u>280,973</u></u>	\$ <u><u>411,226</u></u>	\$ <u><u>128,728</u></u>
 <u>EMPLOYEE WITHHOLDING</u>				
<u>Assets</u>				
Cash and investments	\$ <u>795,578</u>	\$ <u>1,784,623</u>	\$ <u>757,522</u>	\$ <u>1,822,679</u>
Total assets	\$ <u><u>795,578</u></u>	\$ <u><u>1,784,623</u></u>	\$ <u><u>757,522</u></u>	\$ <u><u>1,822,679</u></u>
<u>Liabilities</u>				
Deposits held for others	\$ <u>795,578</u>	\$ <u>1,784,623</u>	\$ <u>757,522</u>	\$ <u>1,822,679</u>
Total liabilities	\$ <u><u>795,578</u></u>	\$ <u><u>1,784,623</u></u>	\$ <u><u>757,522</u></u>	\$ <u><u>1,822,679</u></u>
 <u>TOTAL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash and investments	\$ <u>1,054,559</u>	\$ <u>2,065,596</u>	\$ <u>1,168,748</u>	\$ <u>1,951,407</u>
Total assets	\$ <u><u>1,054,559</u></u>	\$ <u><u>2,065,596</u></u>	\$ <u><u>1,168,748</u></u>	\$ <u><u>1,951,407</u></u>
<u>Liabilities</u>				
Deposits held for others	\$ <u>795,578</u>	\$ <u>1,784,623</u>	\$ <u>757,522</u>	\$ <u>1,822,679</u>
Due to student groups	<u>258,981</u>	<u>280,973</u>	<u>411,226</u>	<u>128,728</u>
Total liabilities	\$ <u><u>1,054,559</u></u>	\$ <u><u>2,065,596</u></u>	\$ <u><u>1,168,748</u></u>	\$ <u><u>1,951,407</u></u>

(This page intentionally left blank)

STATISTICAL SECTION

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

(This page intentionally left blank)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Net Position:					
Net investment in capital assets	\$ 57,410,271	\$ 56,828,039	\$ 56,537,646	\$ 56,188,021	\$ 56,212,094
Restricted	5,953,286	4,837,851	2,408,192	2,674,430	3,455,282
Unrestricted	(15,435,368)	(17,112,895)	(18,843,029)	(21,747,429)	(297,410)
Total net position	<u>\$ 47,928,189</u>	<u>\$ 44,552,995</u>	<u>\$ 40,102,809</u>	<u>\$ 37,115,022</u>	<u>\$ 59,369,966</u>
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Net Position:					
Net investment in capital assets	\$ 55,214,231	\$ 56,075,885	\$ 55,406,430	\$ 54,896,685	\$ 56,454,359
Restricted	2,830,102	3,057,204	2,697,952	2,821,422	3,065,158
Unrestricted	951,886	4,832,122	5,847,171	4,740,421	4,612,527
Total net position	<u>\$ 58,996,219</u>	<u>\$ 63,965,211</u>	<u>\$ 63,951,553</u>	<u>\$ 62,458,528</u>	<u>\$ 64,132,044</u>

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

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Expenses					
Instruction	\$ 16,866,004	\$ 16,137,896	\$ 16,674,465	\$ 18,706,609	\$ 16,211,734
Support services - students and staff	4,101,346	3,883,529	3,437,742	3,664,461	3,385,488
Support services - administration	3,783,698	3,300,717	2,982,055	2,954,593	3,086,969
Operation and maintenance of plant services	4,636,304	4,071,691	5,003,851	4,486,770	4,313,109
Student transportation services	3,580,922	3,222,091	2,994,794	3,316,840	3,440,871
Operation of non-instructional services	1,366,116	1,536,931	1,490,077	1,646,925	1,749,021
Interest on long-term debt	880,935	974,782	1,052,643	928,131	1,362,291
Total expenses	<u>35,215,325</u>	<u>33,127,637</u>	<u>33,635,627</u>	<u>35,704,329</u>	<u>33,549,483</u>
Program Revenues					
Charges for services:					
Instruction	1,462,516	1,338,282	1,190,951	1,357,024	278,744
Operation of non-instructional services	558,122	419,718	522,788	560,602	1,334,338
Other activities	182,599	64,648	39,197	85,861	71,166
Operating grants and contributions	3,610,517	4,168,172	3,707,217	4,729,270	4,280,702
Capital grants and contributions	776,416	1,120,554	274,127	146,919	154,951
Total program revenues	<u>6,590,170</u>	<u>7,111,374</u>	<u>5,734,280</u>	<u>6,879,676</u>	<u>6,119,901</u>
Net (Expense)/Revenue	<u>\$ (28,625,155)</u>	<u>\$ (26,016,263)</u>	<u>\$ (27,901,347)</u>	<u>\$ (28,824,653)</u>	<u>\$ (27,429,582)</u>

(Continued)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Expenses					
Instruction	\$ 17,237,427	\$ 14,693,181	\$ 14,967,855	\$ 19,974,399	\$ 16,659,360
Support services - students and staff	3,193,571	2,970,148	4,069,616	3,834,787	3,188,750
Support services - administration	3,077,001	2,849,914	3,307,917	3,555,178	3,093,365
Operation and maintenance of plant services	4,251,565	4,247,017	4,553,785	4,834,991	3,465,332
Student transportation services	3,447,428	3,252,976	3,137,012	3,541,122	3,225,628
Operation of non-instructional services	2,419,386	2,520,119	1,631,019	2,589,784	2,497,332
Interest on long-term debt	1,413,861	1,435,954	1,592,034	1,698,024	1,851,785
Total expenses	<u>35,040,239</u>	<u>31,969,309</u>	<u>33,259,238</u>	<u>40,028,285</u>	<u>33,981,552</u>
Program Revenues					
Charges for services:					
Instruction	467,653	484,258	666,300	568,393	749,239
Operation of non-instructional services	1,306,631	1,460,030	1,460,018	1,542,255	1,544,853
Other activities	53	833	8,233	9,502	6,875
Operating grants and contributions	3,207,739	3,432,864	3,521,338	3,885,082	2,975,735
Capital grants and contributions	858,308	162,910	220,622	402,028	1,976,990
Total program revenues	<u>5,840,384</u>	<u>5,540,895</u>	<u>5,876,511</u>	<u>6,407,260</u>	<u>7,253,692</u>
Net (Expense)/Revenue	<u>\$ (29,199,855)</u>	<u>\$ (26,428,414)</u>	<u>\$ (27,382,727)</u>	<u>\$ (33,621,025)</u>	<u>\$ (26,727,860)</u>

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

(Concluded)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Net (Expense)/Revenue	\$ (28,625,155)	\$ (26,016,263)	\$ (27,901,347)	\$ (28,824,653)	\$ (27,429,582)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	12,875,891	10,276,072	12,011,242	11,630,604	11,293,553
Property taxes, levied for debt service	2,863,179	2,869,017	2,922,882	2,953,378	2,930,459
Property taxes, levied for capital outlay	710,334	2,355,359	509,320	287,095	362,395
Investment income	188,274	65,484	25,142	15,764	4,069
Unrestricted county aid	810,657	797,007	802,484	822,484	704,162
Unrestricted state aid	14,336,859	13,941,224	14,336,648	13,658,619	12,346,020
Unrestricted federal aid	212,337	162,286	281,416	321,594	162,671
Total general revenues	<u>31,997,531</u>	<u>30,466,449</u>	<u>30,889,134</u>	<u>29,689,538</u>	<u>27,803,329</u>
Changes in Net Position	<u>\$ 3,372,376</u>	<u>\$ 4,450,186</u>	<u>\$ 2,987,787</u>	<u>\$ 864,885</u>	<u>\$ 373,747</u>

(Continued)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Net (Expense)/Revenue	\$ (29,199,855)	\$ (26,428,414)	\$ (27,382,727)	\$ (33,621,025)	\$ (26,727,860)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	10,542,201	10,626,082	10,823,754	9,830,922	9,638,360
Property taxes, levied for debt service	2,730,200	2,965,565	4,946,761	4,589,733	5,014,663
Property taxes, levied for capital outlay	113,929	8,182	26,331	3,068,025	4,425,498
Investment income	6,986	16,349	15,581	43,299	411,880
Unrestricted county aid	628,309	626,396	633,095	547,042	
Unrestricted state aid	9,969,902	11,975,732	12,031,779	11,780,479	32,038,257
Unrestricted federal aid	239,336	223,766	398,451	2,088,009	414,320
Total general revenues	<u>24,230,863</u>	<u>26,442,072</u>	<u>28,875,752</u>	<u>31,947,509</u>	<u>51,942,978</u>
Changes in Net Position	<u>\$ (4,968,992)</u>	<u>\$ 13,658</u>	<u>\$ 1,493,025</u>	<u>\$ (1,673,516)</u>	<u>\$ 25,215,118</u>

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

Notes: 1) The Arizona State Legislature suspended county equalization payments to school districts for fiscal year 2008-09.

(Concluded)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
General Fund:					
Nonspendable	\$ 370,797	\$ 1,805,900	\$	\$ 8,181	\$ 246,953
Unassigned	5,657,521	4,463,559	5,459,857	3,211,311	1,518,759
Total General Fund	<u>\$ 6,028,318</u>	<u>\$ 6,269,459</u>	<u>\$ 5,459,857</u>	<u>\$ 3,219,492</u>	<u>\$ 1,765,712</u>
 All Other Governmental Funds:					
Restricted	\$ 5,733,111	\$ 4,656,100	\$ 2,299,878	\$ 2,498,742	\$ 3,274,478
Unassigned	(244,034)				
Total all other governmental funds	<u>\$ 5,489,077</u>	<u>\$ 4,656,100</u>	<u>\$ 2,299,878</u>	<u>\$ 2,498,742</u>	<u>\$ 3,274,478</u>

(Continued)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
General Fund:					
Unassigned	\$ 1,540,417	\$ 3,118,403	\$ 3,322,729	\$	\$
Unreserved				1,544,521	973,300
Total General Fund	<u>\$ 1,540,417</u>	<u>\$ 3,118,403</u>	<u>\$ 3,322,729</u>	<u>\$ 1,544,521</u>	<u>\$ 973,300</u>
All Other Governmental Funds:					
Restricted	\$ 2,676,023	\$ 2,586,001	\$ 2,200,748	\$	\$
Unassigned	(69,185)	(7,100)	(124,428)		
Unreserved, reported in:					
Special revenue funds				277,966	206,788
Capital projects funds				1,549,131	1,426,317
Debt service fund				695,495	764,177
Total all other governmental funds	<u>\$ 2,606,838</u>	<u>\$ 2,578,901</u>	<u>\$ 2,076,320</u>	<u>\$ 2,522,592</u>	<u>\$ 2,397,282</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)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Federal sources:					
Federal grants	\$ 2,405,439	\$ 3,167,084	\$ 2,965,755	\$ 3,977,639	\$ 3,381,593
Impact Aid	81,630		129,617	163,123	118,392
National School Lunch Program	955,324	1,099,253	922,901	926,091	948,489
Total federal sources	<u>3,442,393</u>	<u>4,266,337</u>	<u>4,018,273</u>	<u>5,066,853</u>	<u>4,448,474</u>
State sources:					
State equalization assistance	12,304,002	10,485,752	12,517,162	11,966,582	10,556,987
State grants	186,733	95,356	110,387	127,354	122,177
School Facilities Board	607,435	1,063,428	171,517	81,285	256,882
Other revenues	2,032,857	3,455,472	1,819,487	1,610,752	1,532,151
Total state sources	<u>15,131,027</u>	<u>15,100,008</u>	<u>14,618,553</u>	<u>13,785,973</u>	<u>12,468,197</u>
Local sources:					
Property taxes	16,448,997	15,561,953	15,457,581	15,013,391	14,591,248
County aid	810,657	797,007	802,484	822,484	704,162
Food service sales	558,100	419,660	522,788	560,602	618,414
Investment income	188,274	65,484	25,142	15,764	4,069
Other revenues	1,659,819	1,448,406	1,254,515	1,446,461	1,065,834
Total local sources	<u>19,665,847</u>	<u>18,292,510</u>	<u>18,062,510</u>	<u>17,858,702</u>	<u>16,983,727</u>
Total revenues	<u><u>\$ 38,239,267</u></u>	<u><u>\$ 37,658,855</u></u>	<u><u>\$ 36,699,336</u></u>	<u><u>\$ 36,711,528</u></u>	<u><u>\$ 33,900,398</u></u>

(Continued)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Federal sources:					
Federal grants	\$ 2,726,834	\$ 2,744,263	\$ 2,959,733	\$ 2,945,047	\$ 2,297,237
State Fiscal Stabilization (ARRA)			133,518	1,819,050	
Impact Aid	159,274	222,662	264,933	268,959	414,320
National School Lunch Program	845,514	825,938	787,598	817,111	627,867
Total federal sources	<u>3,731,622</u>	<u>3,792,863</u>	<u>4,145,782</u>	<u>5,850,167</u>	<u>3,339,424</u>
State sources:					
State equalization assistance	8,804,434	10,621,107	11,060,861	9,061,111	10,711,968
State grants	65,825	78,000	110,681	115,883	195,598
School Facilities Board	627,934				20,903,830
Other revenues	1,165,468	1,354,727	1,023,102	2,736,953	2,408,760
Total state sources	<u>10,663,661</u>	<u>12,053,834</u>	<u>12,194,644</u>	<u>11,913,947</u>	<u>34,220,156</u>
Local sources:					
Property taxes	13,715,498	13,745,841	15,848,385	17,424,249	18,503,163
County aid	628,309	626,396	633,095	547,042	
Food service sales	629,000	696,468	664,814	673,956	663,873
Investment income	6,986	16,349	15,581	43,299	412,382
Other revenues	1,145,337	1,248,653	1,469,737	1,498,019	3,536,880
Total local sources	<u>16,125,130</u>	<u>16,333,707</u>	<u>18,631,612</u>	<u>20,186,565</u>	<u>23,116,298</u>
Total revenues	<u><u>\$ 30,520,413</u></u>	<u><u>\$ 32,180,404</u></u>	<u><u>\$ 34,972,038</u></u>	<u><u>\$ 37,950,679</u></u>	<u><u>\$ 60,675,878</u></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 year 2008-09.

(Concluded)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Expenditures:					
Current -					
Instruction	\$ 14,500,410	\$ 14,891,324	\$ 13,695,473	\$ 15,483,266	\$ 13,794,511
Support services - students and staff	3,890,811	4,083,163	3,143,873	3,364,062	3,129,692
Support services - administration	3,559,753	3,427,851	2,803,073	2,811,165	2,913,062
Operation and maintenance of plant services	4,459,196	3,955,487	4,685,348	3,977,269	4,237,984
Student transportation services	3,397,083	3,077,737	2,756,629	3,118,524	3,285,323
Operation of non-instructional services	1,312,489	1,506,998	1,422,217	1,588,483	1,694,794
Capital outlay	1,892,801	2,438,101	3,007,928	2,328,853	993,688
Debt service -					
Interest and fiscal charges	920,780	1,014,627	1,092,488	967,976	1,362,291
Principal retirement	2,294,794	2,128,234	2,042,625	2,222,773	1,843,071
Bond issuance costs				330,785	
Total expenditures	<u>\$ 36,228,117</u>	<u>\$ 36,523,522</u>	<u>\$ 34,649,654</u>	<u>\$ 36,193,156</u>	<u>\$ 33,254,416</u>
Expenditures for capitalized assets	\$ 1,186,634	\$ 1,433,744	\$ 912,065	\$ 857,690	\$ 121,050
Debt service as a percentage of noncapital expenditures	9%	9%	9%	9%	10%

(Continued)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Expenditures:					
Current -					
Instruction	\$ 13,199,423	\$ 12,566,992	\$ 12,546,997	\$ 13,477,656	\$ 14,439,903
Support services - students and staff	2,679,392	2,825,363	3,860,755	2,990,567	2,914,563
Support services - administration	2,709,221	2,890,812	3,139,509	2,849,690	2,729,376
Operation and maintenance of plant services	3,856,956	4,106,984	4,216,663	3,772,099	3,136,719
Student transportation services	3,075,197	3,085,905	2,953,093	2,997,947	2,985,890
Operation of non-instructional services	2,326,412	2,482,271	1,591,952	2,305,691	2,450,946
Capital outlay	3,364,930	938,165	616,483	4,205,777	46,849,210
Debt service -					
Claims and judgments					100,494
Interest and fiscal charges	1,413,861	1,435,954	1,577,168	1,691,818	1,810,281
Principal retirement	1,654,957	1,594,850	3,137,482	2,989,787	4,975,805
Bond issuance costs					226,097
Total expenditures	<u>\$ 34,280,349</u>	<u>\$ 31,927,296</u>	<u>\$ 33,640,102</u>	<u>\$ 37,281,032</u>	<u>\$ 82,619,284</u>
Expenditures for capitalized assets	\$ 191,906	\$ 213,203	\$ 235,090	\$ 480,767	\$ 44,846,890
Debt service as a percentage of noncapital expenditures	9%	10%	14%	13%	18%

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

(Concluded)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Excess (deficiency) of revenues over expenditures	\$ 2,011,150	\$ 1,135,333	\$ 2,049,682	\$ 518,372	\$ 645,982
Other financing sources (uses):					
Refunding bonds issued				19,985,000	
Premium on sale of bonds				2,650,175	
Capital lease agreements		224,591			
Transfers in	35,533	82,201	2,350,707	122,373	389,793
Transfers out	(35,533)	(82,201)	(2,350,707)	(122,373)	(389,793)
Payment to refunded bond escrow agent				(22,236,731)	
Insurance recoveries	15,789				
Total other financing sources (uses)	<u>15,789</u>	<u>224,591</u>	<u></u>	<u>398,444</u>	<u></u>
Changes in fund balances	<u>\$ 2,026,939</u>	<u>\$ 1,359,924</u>	<u>\$ 2,049,682</u>	<u>\$ 916,816</u>	<u>\$ 645,982</u>
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Excess (deficiency) of revenues over expenditures	\$ (3,759,936)	\$ 253,108	\$ 1,331,936	\$ 669,647	\$ (21,943,406)
Other financing sources (uses):					
Issuance of school improvement bonds					17,845,000
Premium on sale of bonds					237,863
Capital lease agreements	2,209,887	45,147		26,884	87,477
Transfers in	107,649	87,289	775,891	125,217	429,543
Transfers out	(107,649)	(87,289)	(775,891)	(125,217)	(429,543)
Total other financing sources (uses)	<u>2,209,887</u>	<u>45,147</u>	<u></u>	<u>26,884</u>	<u>18,170,340</u>
Changes in fund balances	<u>\$ (1,550,049)</u>	<u>\$ 298,255</u>	<u>\$ 1,331,936</u>	<u>\$ 696,531</u>	<u>\$ (3,773,066)</u>

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

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
NET LIMITED ASSESSED VALUE AND FULL CASH VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Commercial, Industrial, Utilities and Mining	\$ 207,921,435	\$ 208,637,578	\$ 205,143,926	\$ 203,927,144	\$ 208,219,906
Agricultural and Vacant	70,235,114	71,660,280	78,330,303	77,692,036	81,679,202
Residential (Owner Occupied)	144,606,859	146,821,686	141,675,931	152,523,688	159,576,988
Residential (Rental)	97,083,267	82,243,031	77,628,209	56,754,252	47,269,087
Railroad, Private Cars and Airlines	4,613,030	3,898,074	3,890,344	3,974,860	2,882,253
Historical Property	6,948,292	4,629,970	5,911,263	5,478,876	5,010,947
Certain Government Property Improvements	47,339	43,545	40,921	39,042	86,754
Total	<u>\$ 531,455,336</u>	<u>\$ 517,934,164</u>	<u>\$ 512,620,897</u>	<u>\$ 500,389,898</u>	<u>\$ 504,725,137</u>
Gross Full Cash Value	\$ 5,403,488,547	\$ 5,213,152,054	\$ 4,974,181,929	\$ 4,203,901,140	\$ 4,158,822,268
Ratio of Net Limited Assessed Value to Gross Full Cash Value	10%	10%	10%	12%	12%
Total Direct Rate	3.18	3.15	3.15	3.05	3.05

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Commercial, Industrial, Utilities and Mining	\$ 214,395,192	\$ 218,794,043	\$ 215,418,654	\$ 210,614,942	\$ 172,884,626
Agricultural and Vacant	102,808,128	116,331,867	171,274,895	183,076,523	157,416,098
Residential (Owner Occupied)	192,551,479	197,756,810	237,652,968	286,183,886	246,598,340
Residential (Rental)	41,432,789	37,221,260	41,785,356	43,288,322	35,484,825
Railroad, Private Cars and Airlines	1,609,120	1,286,012	1,039,940	924,022	1,004,442
Historical Property	4,480,910	5,434,298	6,294,753	5,709,472	6,122,841
Certain Government Property Improvements	1,798	1,829	1,832	17,877	1,688
Total	<u>\$ 557,279,416</u>	<u>\$ 576,826,119</u>	<u>\$ 673,468,398</u>	<u>\$ 729,815,044</u>	<u>\$ 619,512,860</u>
Gross Full Cash Value	\$ 4,583,570,382	\$ 4,727,895,183	\$ 5,698,452,756	\$ 7,028,448,234	\$ 7,071,310,571
Ratio of Net Limited Assessed Value to Gross Full Cash Value	12%	12%	12%	10%	9%
Total Direct Rate	2.53	2.49	2.36	2.40	2.89

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

Note: On November 6, 2012, voters approved Proposition 117, an amendment to the Arizona Constitution. Beginning with Tax Year 2015 (Fiscal Year 2016), both primary and secondary taxes are levied against the net limited assessed value. Primary taxes are used for general District operations. Secondary taxes are used to service District bonded debt requirements and other voter-approved overrides.

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
NET FULL CASH ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Commercial, Industrial, Utilities and Mining	\$ 221,437,010	\$ 222,394,498	\$ 213,642,739	\$ 208,017,794	\$ 210,378,768
Agricultural and Vacant	88,878,973	83,538,154	85,630,779	79,325,135	83,141,487
Residential (Owner Occupied)	178,953,151	185,837,552	178,095,994	152,935,319	159,721,328
Residential (Rental)	117,016,393	101,417,158	96,493,699	57,045,576	47,357,244
Railroad, Private Cars and Airlines	5,302,370	4,139,628	3,954,129	4,005,345	2,904,242
Historical Property	7,793,494	5,454,013	12,156,049	11,210,831	8,998,622
Certain Government Property Improvements	47,820	44,183	43,105	39,042	88,205
Total	<u>\$ 619,429,211</u>	<u>\$ 602,825,186</u>	<u>\$ 590,016,494</u>	<u>\$ 512,579,042</u>	<u>\$ 512,589,896</u>
Gross Full Cash Value	\$ 5,403,488,547	\$ 5,213,152,054	\$ 4,974,181,929	\$ 4,203,901,140	\$ 4,158,822,268
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	11%	12%	12%	12%	12%
Estimated Net Full Cash Value	4,896,198,986	4,735,938,352	4,529,575,475	3,779,817,023	3,729,717,293
Total Direct Rate	3.18	3.15	3.15	3.05	3.05

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Commercial, Industrial, Utilities and Mining	\$ 216,047,949	\$ 221,469,247	\$ 219,820,291	\$ 221,780,669	\$ 190,754,527
Agricultural and Vacant	106,337,233	122,920,300	205,825,915	313,629,021	355,689,198
Residential (Owner Occupied)	192,729,858	197,955,045	239,879,178	304,823,036	302,459,479
Residential (Rental)	41,504,057	37,488,902	42,847,885	46,319,567	42,181,721
Railroad, Private Cars and Airlines	1,633,053	1,402,455	1,193,006	1,039,687	1,086,345
Historical Property	7,091,214	11,154,559	14,636,050	14,064,471	12,117,747
Certain Government Property Improvements	1,798	1,829	2,688	17,877	1,688
Total	<u>\$ 565,345,162</u>	<u>\$ 592,392,337</u>	<u>\$ 724,205,013</u>	<u>\$ 901,674,328</u>	<u>\$ 904,290,705</u>
Gross Full Cash Value	\$ 4,583,570,382	\$ 4,727,895,183	\$ 5,698,452,756	\$ 7,028,448,234	\$ 7,071,310,571
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	12%	13%	13%	13%	13%
Estimated Net Full Cash Value	4,078,423,857	4,260,434,371	5,197,217,332	6,498,166,206	6,524,515,242
Total Direct Rate	2.53	2.49	2.36	2.40	2.89

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

Note: On November 6, 2012, voters approved Proposition 117, an amendment to the Arizona Constitution. Beginning with Tax Year 2015 (Fiscal Year 2016), both primary and secondary taxes are levied against the net limited assessed value. The net full cash assessed value is used for determining the District's bonding capacity and as the ceiling for net limited assessed value.

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
PROPERTY TAX ASSESSMENT RATIOS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Commercial, Industrial, Utilities and Mining	18 %	18 %	19 %	19 %	20 %
Agricultural and Vacant	15	15	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	15	14	15	16	15

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Commercial, Industrial, Utilities and Mining	20 %	20 %	21 %	22 %	23 %
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	17	18	20

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.

**CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Overlapping Rates										District Direct Rates		
	State Equalization	County	Community College District	Casa Grande Elementary School District	Stanfield Elementary School District	Toltec Elementary School District	Central Arizona Valley Institute of Technology	City of Casa Grande	City of Eloy	Other	Primary	Secondary	Total
2018	0.49	3.87	2.54	3.51	3.59	2.95	0.05	1.60	1.20	0.04-35.00	2.24	0.94	3.18
2017	0.50	3.87	2.63	3.60	2.85	3.76	0.05	1.63	1.23	0.04-35.00	2.63	0.52	3.15
2016	0.51	4.00	2.65	3.54	2.83	3.76	0.05	1.63	1.17	0.04-35.00	2.61	0.54	3.15
2015	0.51	3.80	2.26	3.60	2.24	3.76	0.05	1.63	1.15	0.04-35.00	2.50	0.55	3.05
2014	0.51	3.80	2.25	3.82	2.78	3.76	0.05	1.63	1.14	0.04-35.01	2.50	0.55	3.05
2013	0.47	3.80	1.88	3.47	2.83	2.93	0.05	1.58	1.04	0.04-35.00	2.05	0.48	2.53
2012	0.43	4.00	1.85	3.14	3.06	2.33	0.05	1.53	0.96	0.04-35.00	1.71	0.78	2.49
2011	0.36	4.00	1.59	2.96	3.06	2.33	0.05	1.44	0.82	0.04-35.00	1.45	0.91	2.36
2010		3.36	1.46	2.56	3.08	2.33	0.05	1.34	0.84	0.04-35.00	1.77	0.63	2.40
2009		3.56	1.41	2.81	3.28	3.06	0.05	1.38	0.95	0.04-35.00	2.13	0.76	2.89

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

**CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

Taxpayer	2018		2009	
	Net Limited Assessed Valuation	Percentage of District's Net Limited Assessed Valuation	Net Full Cash Assessed Valuation	Percentage of District's Net Full Cash Assessed Valuation
Arizona Public Service	\$ 14,325,787	2.70 %	\$ 18,169,348	2.01 %
Promenade CG Retail LLC	8,389,703	1.58		
Wal-Mart Stores East LP	6,616,464	1.24	14,900,123	1.65
Ehrmann Arizona Dairy	5,643,816	1.06		
Arizona Water Company	5,166,028	0.97	5,092,447	0.56
Frito Lay Sales Inc	4,864,784	0.92		
Southwest Gas Corporation	4,815,826	0.91	4,338,011	0.48
Abbott Manufacturing Inc.	4,807,257	0.90	6,789,929	0.75
Hexcel Corporation	4,662,940	0.88		
Daisy Brand LLC	4,187,650	0.79		
Recot Inc.			7,481,496	0.83
Qwest			7,230,017	0.80
Kinder Morgan Energy Partners			5,658,275	0.63
Vanderbilt Farms LLC			4,715,229	0.52
Home Depot USA Inc.			2,766,268	0.31
Total	<u>\$ 63,480,255</u>	<u>11.95 %</u>	<u>\$ 77,141,143</u>	<u>8.53 %</u>

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

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

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
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
2018	\$ 13,757,933	\$ 13,412,067	97.49 %	\$	\$ 13,412,067	97.49 %
2017	12,996,212	12,591,230	96.88	380,510	12,971,740	99.81
2016	12,992,824	12,572,722	96.77	401,067	12,973,789	99.85
2015	12,347,712	11,921,750	96.55	412,575	12,334,325	99.89
2014	12,367,837	11,896,447	96.19	452,731	12,349,178	99.85
2013	11,355,590	10,842,170	95.48	493,159	11,335,329	99.82
2012	11,554,467	10,927,628	94.57	607,184	11,534,812	99.83
2011	13,897,901	12,887,112	92.73	987,920	13,875,032	99.84
2010	15,666,253	14,491,337	92.50	1,149,543	15,640,880	99.84
2009	16,909,650	15,553,740	91.98	1,343,603	16,897,343	99.93

Source: The source of this information is the 2018 Pinal 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.

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	General Obligation Bonds						Total Outstanding Debt				
	General Obligation Bonds	Less:	Total	Percentage of	Per Capita	Capital Leases	Total	Percentage of	Per Capita	Percentage of Personal Income	
		Amounts		Estimated				Estimated			
		Restricted		Actual Value				Actual Value			
		for Principal		(Full Cash Value)				(Full Cash Value)			
2018	\$ 20,745,103	\$ 1,035,872	19,709,231	0.36 %	\$ 278	\$ 1,494,321	\$ 22,239,424	0.41 %	\$ 313	N/A %	
2017	23,045,121	984,954	22,060,167	0.42	314	1,754,115	24,799,236	0.48	353	0.21	
2016	25,250,139	1,016,444	24,233,695	0.49	354	1,717,758	26,967,897	0.54	394	0.24	
2015	27,380,157	995,012	26,385,145	0.63	391	1,895,383	29,275,540	0.70	434	0.28	
2014	27,045,000	937,661	26,107,339	0.63	390	2,068,156	29,113,156	0.70	435	0.29	
2013	30,330,000	1,161,622	29,168,378	0.64	439	2,236,227	32,566,227	0.71	490	0.34	
2012	31,880,000	1,231,979	30,648,021	0.65	464	71,297	31,951,297	0.68	484	0.34	
2011	34,985,000	1,239,003	33,745,997	0.59	519	71,000	35,056,000	0.62	539	0.40	
2010	37,940,000	942,539	36,997,461	0.53	597	103,482	38,043,482	0.54	614	0.46	
2009	41,865,000	968,272	40,896,728	0.58	736	111,385	41,976,385	0.59	755	0.53	

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

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

**CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2018**

<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:			
Pinal County Community College District	\$ 79,820,000	18.65 %	\$ 14,886,430
Mission Royale Community Facilities District	385,000	100.00	385,000
Villago Community Facilities District	2,685,000	100.00	2,685,000
City of Casa Grande	37,145,000	100.00	37,145,000
Casa Grande Elementary School District No. 4	30,108,406	100.00	30,108,406
Subtotal, Overlapping Debt			<u>85,209,836</u>
Direct:			
Casa Grande Union High School District No. 82			<u>22,239,424</u>
Total Direct and Overlapping Governmental Activities Debt			<u><u>\$ 107,449,260</u></u>

DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS

Net Direct General Obligation Bonded Debt	
As a Percentage of Net Limited Assessed Valuation	3.71 %
Net Direct and Overlapping General Bonded Debt	
Per Capita	\$ 1,478
As a Percentage of Net Limited Assessed Valuation	19.74 %
As a Percentage of Gross Full Cash Value	1.94 %

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 a portion of the District's net limited assessed valuation as a percentage of the net limited assessed valuation of the overlapping jurisdiction.
- 2) Outstanding debt as of June 30, 2017 is presented for the overlapping governments as this is the most recent available information.

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Class B Bond Legal Debt Margin Calculation for Fiscal Year 2018:

Net full cash assessed valuation	\$ 619,429,211
Debt limit (10% of assessed value)	61,942,921
Debt applicable to limit	<u>19,155,000</u>
Legal debt margin	<u><u>\$ 42,787,921</u></u>

Total Legal Debt Margin Calculation for Fiscal Year 2018:

Net full cash assessed valuation	\$ 619,429,211
Debt limit (15% of assessed value)	92,914,382
Debt applicable to limit	<u>19,155,000</u>
Legal debt margin	<u><u>\$ 73,759,382</u></u>

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Debt Limit	\$ 92,914,382	\$ 90,423,778	\$ 88,502,474	\$ 76,886,856	\$ 76,888,484
Total net debt applicable to limit	<u>19,155,000</u>	<u>21,190,000</u>	<u>23,130,000</u>	<u>24,995,000</u>	<u>27,045,000</u>
Legal debt margin	<u><u>\$ 73,759,382</u></u>	<u><u>\$ 69,233,778</u></u>	<u><u>\$ 65,372,474</u></u>	<u><u>\$ 51,891,856</u></u>	<u><u>\$ 49,843,484</u></u>
Total net debt applicable to the limit as a percentage of debt limit	21%	23%	26%	33%	35%
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Debt Limit	\$ 84,801,774	\$ 88,858,851	\$ 108,630,752	\$ 135,251,149	\$ 135,643,606
Total net debt applicable to limit	<u>30,330,000</u>	<u>31,880,000</u>	<u>34,985,000</u>	<u>37,940,000</u>	<u>41,865,000</u>
Legal debt margin	<u><u>\$ 54,471,774</u></u>	<u><u>\$ 56,978,851</u></u>	<u><u>\$ 73,645,752</u></u>	<u><u>\$ 97,311,149</u></u>	<u><u>\$ 93,778,606</u></u>
Total net debt applicable to the limit as a percentage of debt limit	36%	36%	32%	28%	31%

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

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

**CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS**

Year	Population	Personal Income (thousands)	Per Capita Income	Unemployment Rate	Estimated District Population
2017	427,603	\$ N/A	\$ N/A	5.0 %	71,000
2016	413,312	11,689,781	27,930	5.5	70,165
2015	401,918	11,255,255	27,682	6.3	68,500
2014	396,237	10,387,778	25,846	7.2	67,500
2013	389,813	9,932,684	25,511	8.6	67,000
2012	389,192	9,619,961	24,834	9.4	66,500
2011	384,231	9,301,723	24,287	10.3	66,000
2010	375,770	8,860,496	23,060	12.0	65,000
2009	356,303	8,259,897	24,225	11.4	62,000
2008	350,558	7,892,358	23,985	6.8	55,600

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 2008 through 2010 is the University of Arizona, Eller College of Management, Economic and Business Research Center. For 2011 through 2017 the source of the information is the Arizona Office of Employment and Population Statistics.

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

**CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

Employer	2018			2009		
	Employees	Percentage of Total Employment		Employees	Percentage of Total Employment	
Wal-Mart Stores, Inc.	1,420	8.04	%	570	1.18	%
Aires, Inc.	800	4.53				
Casa Grande Elementary School District No. 4	720	4.07		997	2.07	
Casa Grande Community Hispital	690	3.90				
City of Casa Grande	440	2.49		260	0.54	
Bureau of Customs and Border Protection	370	2.09				
Arizona State Prison	300	1.70		1,715	3.56	
Frito Lay, Inc.	300	1.70		410	0.85	
Casa Grande Union High School District No. 82	293	1.66		329	0.68	
At Home Solutions	100	0.57				
Pinal County				1,850	3.84	
Harrah's Ak-Chin Casino				750	1.55	
Apache Junction Unified School District				730	1.51	
ARSARCO				700	1.45	
Total	5,433	30.75	%	8,311	17.23	%
Total employment	17,670			48,235		

Source: The source of this information is *The Arizona Industrial Directory*, The Greater Phoenix Chamber of Commerce, The Greater Casa Grande Valley Economic Development Foundation, and an individual employer survey.

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS

	Full-time Equivalent Employees as of June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Supervisory					
Principals	2	2	3	2	3
Assistant principals	1	1	1	1	5
Total supervisory	<u>3</u>	<u>3</u>	<u>4</u>	<u>3</u>	<u>8</u>
Instruction					
Teachers	152	130	139	148	143
Other professionals (instructional)	26	20	13	12	11
Aides	34	32	38	35	34
Total instruction	<u>212</u>	<u>182</u>	<u>190</u>	<u>195</u>	<u>188</u>
Student Services					
Librarians	1	1	1	1	1
Technicians	6	4	4	4	
Total student services	<u>7</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>1</u>
Support and Administration					
Service workers	109	103	83	84	106
Total support and administration	<u>109</u>	<u>103</u>	<u>83</u>	<u>84</u>	<u>106</u>
Total	<u><u>331</u></u>	<u><u>293</u></u>	<u><u>282</u></u>	<u><u>287</u></u>	<u><u>303</u></u>

(Continued)

**CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS**

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Supervisory					
Principals	3	4	4	4	4
Assistant principals	4	4	4	4	3
Total supervisory	<u>7</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>7</u>
Instruction					
Teachers	152	152	168	170	185
Other professionals (instructional)	10	17	13	6	3
Aides	31	30	26	25	30
Total instruction	<u>193</u>	<u>199</u>	<u>207</u>	<u>201</u>	<u>218</u>
Student Services					
Librarians	1	1	1	1	2
Technicians			7	9	10
Total student services	<u>1</u>	<u>1</u>	<u>8</u>	<u>10</u>	<u>12</u>
Support and Administration					
Service workers	92	102	100	109	95
Total support and administration	<u>92</u>	<u>102</u>	<u>100</u>	<u>109</u>	<u>95</u>
Total	<u><u>293</u></u>	<u><u>310</u></u>	<u><u>323</u></u>	<u><u>328</u></u>	<u><u>332</u></u>

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

(Concluded)

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
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
2018	3,510	\$ 31,119,742	\$ 8,866	1.83 %	\$ 35,215,325	\$ 10,032	7.63 %	182	19.3	61.0 %
2017	3,554	30,942,560	8,706	10.09	33,127,637	9,321	(0.10)	182	19.5	60.0
2016	3,605	28,506,613	7,908	(7.37)	33,635,627	9,331	(7.12)	190	19.0	59.0
2015	3,554	30,342,769	8,538	3.99	35,704,329	10,046	5.97	195	18.2	59.0
2014	3,539	29,055,366	8,210	1.04	33,549,483	9,480	(7.28)	188	18.8	61.0
2013	3,427	27,846,601	8,126	(0.49)	35,040,239	10,225	9.51	193	17.8	62.8
2012	3,424	27,958,327	8,165	(2.45)	31,969,309	9,337	(5.06)	199	17.2	61.9
2011	3,382	28,308,969	8,370	1.65	33,259,238	9,834	(15.29)	207	16.3	58.7
2010	3,448	28,393,650	8,235	(5.03)	40,028,285	11,609	12.91	201	17.2	57.4
2009	3,305	28,657,397	8,671	(1.28)	33,981,552	10,282	(9.97)	218	15.2	53.4

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

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

CASA GRANDE UNION HIGH SCHOOL DISTRICT NO. 82
CAPITAL ASSETS INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30									
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>Schools</u>										
<u>High</u>										
Buildings	3	3	3	3	3	3	3	3	3	2
Square feet	613,847	613,847	613,847	613,847	613,847	613,847	613,847	613,847	613,847	354,595
Capacity	4,893	4,893	4,893	4,893	5,000	5,000	5,000	5,000	5,000	3,400
Enrollment	3,510	3,601	3,862	3,862	3,424	3,424	3,424	3,693	3,700	3,700
<u>Administrative</u>										
Buildings	1	1	1	1	2	2	2	2	2	1
Square feet	9,904	9,904	9,904	9,904	19,808	19,808	19,808	19,808	19,808	9,904
<u>Athletics</u>										
Football fields	2	2	2	2	2	2	2	2	2	1
Soccer fields	2	2	2	2	3	3	3	3	3	2
Running tracks	2	2	2	2	2	2	2	2	2	1
Baseball/softball	4	4	4	4	8	8	8	8	8	4
Playgrounds	2	2	2	2	2	2	2	2	2	1

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

(This page intentionally left blank)