
Tolleson Union High School District No. 214

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2025



Tolleson Union High School District No. 214

Tolleson, Arizona

**Annual Comprehensive Financial Report
Fiscal Year Ended June 30, 2025**

Issued by:
Business and Finance Department

Tolleson Union High School District No. 214

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Introductory Section

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ADMINISTRATIVE CENTER

9801 West Van Buren Street
Tolleson, Arizona 85353
(623) 478-4000
(623) 936-5048 Fax
Website: www.tuhsd.org

GOVERNING BOARD

Mr. Steven Chapman, President
Mr. Devin Del Palacio, Vice President
Dr. Elda Luna-Najera, Member
Mr. Miguel Ortega-Romero, Member
Ms. Leezah Sun, Member

SUPERINTENDENT

Mr. Jeremy Calles

December 19, 2025

Citizens and Governing Board
Tolleson Union High School District No. 214
9801 West Van Buren Street
Tolleson, Arizona 85353

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 annual comprehensive financial report of the Tolleson Union High School District No. 214 (District) for the fiscal year ended June 30, 2025.

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, 2025, 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, 2025, 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* 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 Report.

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

Profile of the District

The District is one of 58 public school districts located in Maricopa County, Arizona. It provides a program of public education from grade nine through grade twelve, with a fiscal year 2024-25 average daily membership of 13,856.

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

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

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

The District was organized in 1914 and currently encompasses approximately 102.5 square miles. Located within Maricopa County and the greater Phoenix metropolitan area, the District lies approximately ten miles west of downtown Phoenix, Arizona. Portions of the cities of Phoenix, Avondale, Glendale, and the entire city of Tolleson are included within the boundaries of the District.

The District maintains budgetary controls as an integral part of its overall system of internal controls. The objective of these budgetary controls is to ensure compliance with legal provisions included in the annual expenditure budget adopted by the District's Governing Board. The annual expenditure budget also serves as the foundation for the District's financial planning and control. Activities of the general fund, special revenue funds, and capital projects funds are included in the annual appropriated budget. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is established at the individual fund level for all funds. Funds that are not required to legally adopt a budget may have overexpenditures of budgeted funds, as the budgets for these funds are simply an estimate and does not prevent the District from exceeding the budget as long as the necessary revenue is earned. Arizona Revised Statutes permits the adopted expenditure budget to be revised annually. The District additionally exercises management control and oversight of the budget at the fund level. The District is not required to prepare an annual budget of revenue; therefore, a deficit budgeted fund balance may be presented.

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.

Age of Buildings. The original high school in the District was built in 1928. In 1989, the District added its second high school, and three more schools were built between 2002 and 2009. The newest high school in the District opened in July 2019. The District is currently in the process of establishing the newest high school that is expected to open in 2027.

Local Economy. The economy of the District is based primarily on the economies of the cities of Tolleson and Avondale. Commercial, agricultural and industrial influences are present throughout the District. Employment opportunities can be found locally and in the greater Phoenix metropolitan area.

Historically, Tolleson's economy has been agriculturally based. However, with the growth of Phoenix to its west, Tolleson is in a transitional period from an agricultural based economy to a commercial and industrial based economy. Tolleson has become a strong distribution hub for companies wishing to deliver products to southwestern markets due to Tolleson's location south of Interstate 10 and the interchange with Loop 101.

Encompassed in the District's boundary are the homes for the Arizona Cardinals and Spring Training baseball. These venues are helping to influence the development of the areas north of I-10 especially in the Westgate Entertainment District. South of the I-10 new freeways are being built providing greater access to the rest of the valley and influencing significant residential developments. The District has several thriving suburbs that are projected to add over an estimate of 12,000 homes in the next seven years.

Long-term Financial Planning. The District has contracted with a professional demographer who projects that the District will gain 150 to 500 students per year for at least the next five years. The District has received significant increases in Federal and State funding over the past few years. Additionally, the local community has been very supportive of the District at the ballot for budget override and Bond questions. The District is purposefully building and holding onto reserves in order to prepare for the next economic downturn.

Awards and Acknowledgment

Awards. The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2024. This was the 14th consecutive 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 annual comprehensive financial report for the fiscal year ended June 30, 2024. In order to be awarded these certificates, the District published an easily readable and efficiently organized annual comprehensive 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 annual comprehensive 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, 2025 certificates.

Acknowledgments. The preparation of the annual comprehensive 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,



Jeremy Calles
Superintendent



Joyce Council
Chief Financial Officer



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

**Tolleson Union High School
District No. 214**

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2024.**

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'Ryan S. Stechschulte'.

**Ryan S. Stechschulte
President**

A handwritten signature in black ink, reading 'James M. Rowan'.

**James M. Rowan, CAE, SFO
CEO/Executive Director**



Government Finance Officers Association

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

Presented to

**Tolleson Union High School District No. 214
Arizona**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

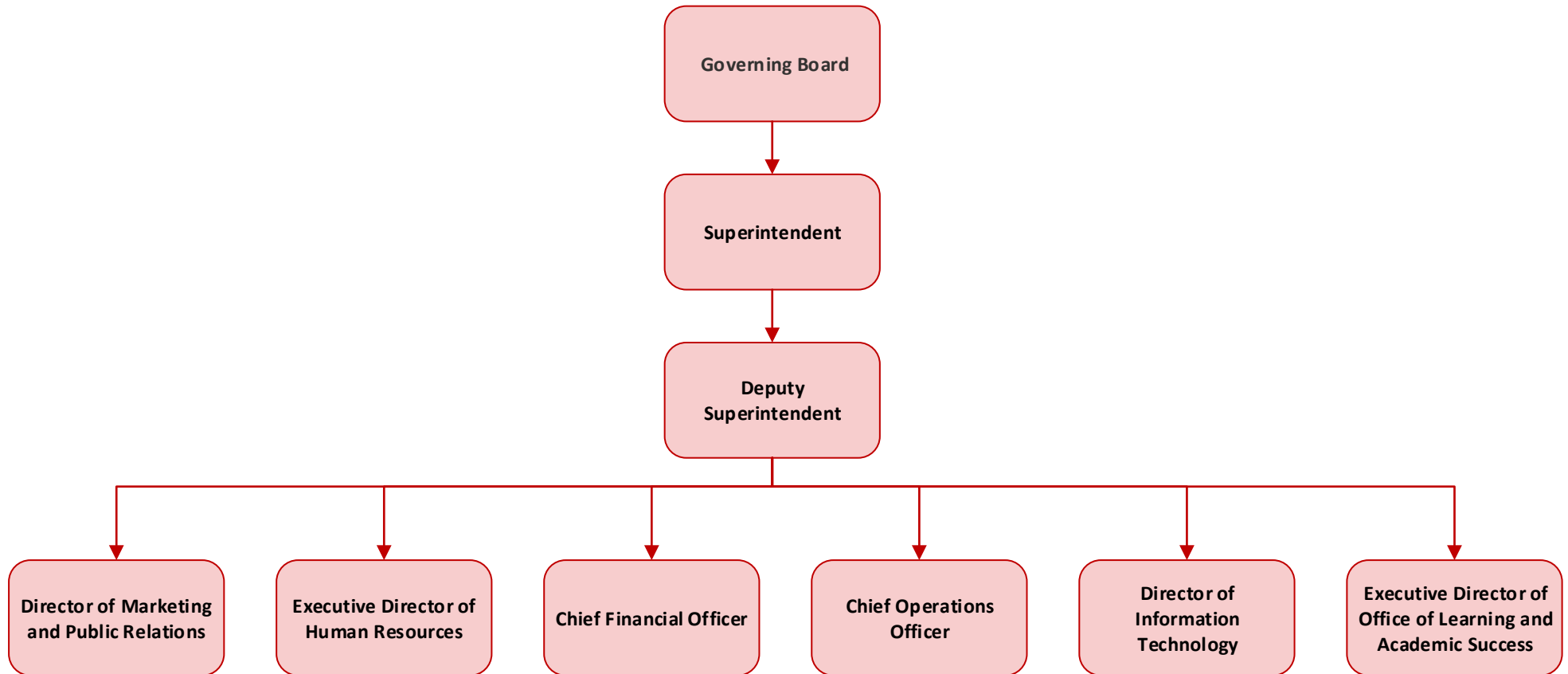
June 30, 2024

Christopher P. Morill

Executive Director/CEO



Tolleson Union High School District Organization Chart



Tolleson Union High School District No. 214

List of Principal Officials

Governing Board

Steven Chapman, President

Devin Del Palacio, Vice President

Miguel A. Ortega-Romero, Member

Leezah Sun, Member

Dr. Elda Luna-Majera, Member

Administrative Staff

Jeremy Calles, Superintendent

Joyce Council, Chief Financial Officer

Rosalva Lagunas-Kuauhtli, Assistant Superintendent

Stacie Almaraz, Executive Director of Human Resources

Derek Fahleson, Chief Operations Officer

Antonio Aguirre, Director of Information Technology

Joseph Ortiz, Director of Public Relations and Marketing

Adam Schwartz, Executive Director of School Leadership

Financial Section

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Independent Auditor's Report

Governing Board
Tolleson Union High School District No. 214

Report on Audit of Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tolleson Union High School District No. 214 (District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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 Tolleson Union High School District No. 214, as of June 30, 2025, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Tolleson Union High School District No. 214 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 6 to the financial statements, the District entered into a lease-leaseback transaction that was considered unusual to the District's normal operations. In addition, as discussed in Note 18, subsequent to year end, the District received notice they were to undergo a special audit to be conducted by the Office of the Auditor General of the State of Arizona. Our opinion is not modified with respect to these matters.

Change in Accounting Principle

As described in Note 1 to the financial statements, the District implemented the provisions of GASB Statement No. 101, *Compensated Absences*, for the year ended June 30, 2025. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, and net pension liability information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary 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 Combining and Individual Fund Financial Statements and Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and Statistical Section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on other work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2025, on our consideration of Tolleson Union High School District No. 214's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Tolleson Union High School District No. 214's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Tolleson Union High School District No. 214's internal control over financial reporting and compliance.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Scottsdale, Arizona
December 19, 2025

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Management's Discussion and Analysis (MD&A)
(Required Supplementary Information)

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Tolleson Union High School District No. 214
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

As management of the Tolleson Union High School District No. 214 (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, 2025. 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 \$6.8 million which represents a two percent increase from the prior fiscal year which was not significant.
- General revenues accounted for \$199.3 million in revenue, or 88 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$27.0 million or 12 percent of total current fiscal year revenues.
- The District had approximately \$219.5 million in expenses related to governmental activities, an increase of four percent from the prior fiscal year.
- Among major funds, the General Fund had \$145.2 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$155.4 million in expenditures. The General Fund's fund balance decrease from \$135.0 million at the prior fiscal year end to \$98.6 million at the end of the current fiscal year was primarily due to the lease-leaseback agreement.

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.

Tolleson Union High School District No. 214
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

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 are reported as governmental 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.

Tolleson Union High School District No. 214
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

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

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

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

Government-Wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$348.4 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 debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. In addition, a portion of the District's net position represents resources that are subject to external restrictions on how they may be used.

Tolleson Union High School District No. 214
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

Government-Wide Financial Analysis

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2025 and June 30, 2024.

	As of June 30, 2025	As of June 30, 2024
Current and other assets	\$ 390,924,202	\$ 333,676,215
Capital assets, net	515,519,563	462,836,847
Total assets	<u>906,443,765</u>	<u>796,513,062</u>
 Deferred outflows	 <u>26,507,639</u>	 <u>20,438,321</u>
 Current and other liabilities	 16,598,522	 12,152,455
Long-term liabilities	<u>557,486,151</u>	<u>457,887,772</u>
Total liabilities	<u>574,084,673</u>	<u>470,040,227</u>
 Deferred inflows	 <u>10,507,785</u>	 <u>5,390,852</u>
 Net position:		
Net investment in capital assets	255,156,782	221,315,210
Restricted	68,538,914	57,840,505
Unrestricted	<u>24,663,250</u>	<u>62,364,589</u>
Total net position	<u>\$ 348,358,946</u>	<u>\$ 341,520,304</u>

At the end of the current fiscal year the District reported positive balances in all three categories of net position. The same situation held true for the prior year.

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

- The issuance of \$115.7 million in school improvement bonds and related premium of \$10.4 million.
- The retirement of \$34.8 million of school improvement bonds and related premium.
- The addition of \$74.4 million in capital assets through the completion of various school improvements, and purchases of vehicles, furniture and equipment.

Tolleson Union High School District No. 214
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

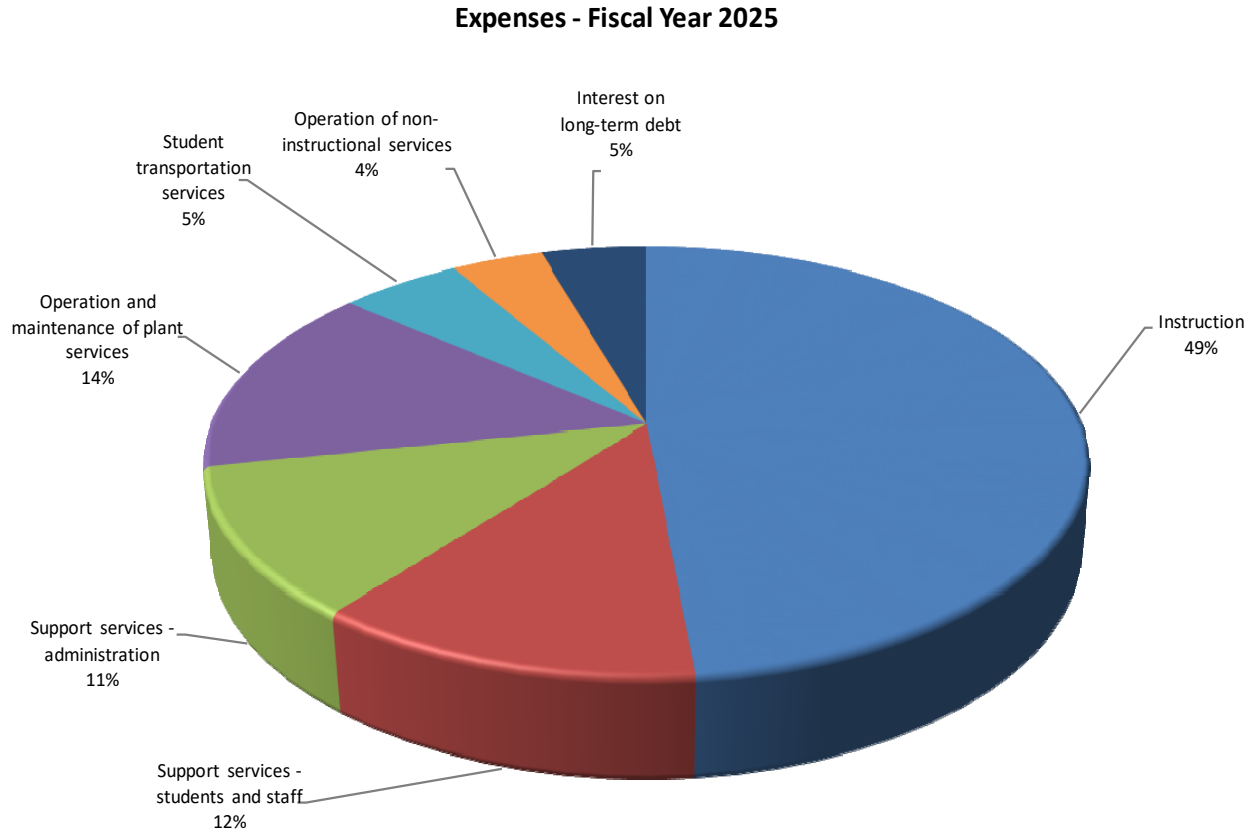
Government-Wide Financial Analysis

Changes in net position. The District's total revenues for the current fiscal year were \$226.3 million. The total cost of all programs and services was \$219.5 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2025 and June 30, 2024.

	Fiscal Year Ended June 30, 2025	Fiscal Year Ended June 30, 2024,
Revenues:		
Program revenues:		
Charges for services	\$ 8,510,684	\$ 6,868,175
Operating grants and contributions	17,727,020	18,775,922
Capital grants and contributions	780,506	2,084,370
General revenues:		
Property taxes	86,128,102	89,663,355
Investment income	9,073,664	7,186,808
Unrestricted state aid	103,185,176	100,527,685
Unrestricted federal aid	936,926	811,364
Total revenues	<u>226,342,078</u>	<u>225,917,679</u>
Expenses:		
Instruction	106,467,717	100,809,842
Support services - students and staff	26,617,286	25,657,643
Support services - administration	24,571,056	25,130,466
Operation and maintenance of plant services	31,565,413	28,016,704
Student transportation services	11,572,976	11,652,885
Operation of non-instructional services	8,743,483	8,837,313
Interest on long-term debt	9,965,505	10,582,547
Total expenses	<u>219,503,436</u>	<u>210,687,400</u>
Changes in net position	6,838,642	15,230,279
Net position, beginning	341,520,304	326,290,025
Net position, ending	<u><u>\$ 348,358,946</u></u>	<u><u>\$ 341,520,304</u></u>

Tolleson Union High School District No. 214
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

Government-Wide Financial Analysis



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

- A decrease of \$3.5 million in property taxes due to a decrease in the secondary tax rate which is used for voter overrides.
- Increased spending of \$5.7 million for instructional expenses due to an increase in teacher salaries and the hiring of additional employees.
- Operation and maintenance of plant services increased \$3.5 million from the prior year as a result of final construction of the facilities warehouse.

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.

Tolleson Union High School District No. 214
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

Government-Wide Financial Analysis

	Year Ended June 30, 2025		Year Ended June 30, 2024	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 106,467,717	\$ (95,878,181)	\$ 100,809,842	\$ (90,347,795)
Support services - students and staff	26,617,286	(20,784,306)	25,657,643	(18,809,795)
Support services - administration	24,571,056	(24,037,599)	25,130,466	(24,842,235)
Operation and maintenance of plant services	31,565,413	(29,906,469)	28,016,704	(25,834,058)
Student transportation services	11,572,976	(11,451,573)	11,652,885	(11,608,156)
Operation of non-instructional services	8,743,483	(461,593)	8,837,313	(934,347)
Interest on long-term debt	9,965,505	(9,965,505)	10,582,547	(10,582,547)
Total	<u>\$ 219,503,436</u>	<u>\$(192,485,226)</u>	<u>\$ 210,687,400</u>	<u>\$(182,958,933)</u>

- The cost of all governmental activities this year was \$219.5 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$27.0 million.
- Net cost of governmental activities of \$192.5 million was financed by general revenues, which are made up of primarily property taxes of \$86.1 million and state aid of \$103.2 million. Investment earnings accounted for \$9.1 million of funding.

Financial Analysis of the District's Funds

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

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$320.8 million, an increase of \$37.2 million due primarily to unspent bond proceeds.

Tolleson Union High School District No. 214
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

Financial Analysis of the District's Funds

The General Fund comprises 31 percent of the total fund balance. Approximately \$87.5 million, or 89 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 from \$135.0 million to \$98.6 million was due to utilizing \$25.0 million to enter into a lease-leaseback agreement with another School District.

The fund balance of the Other Special Revenue Fund decreased \$393,811, or four percent, which was not significant.

The fund balance of the Debt Service Fund increased \$517,209, or 12 percent, primarily as a result of a decrease in the property tax rate used to service debt payments.

The fund balance of the Bond Building Fund increased \$64.6 million primarily due to issuance of school improvement bonds.

Budgetary Highlights

Over the course of the year, the District revised the General Fund annual expenditure budget for fluctuation of student counts from the original budget. The difference between the original budget and the final amended budget was a decrease of \$12.0 million, or approximately six percent.

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

- The favorable variance of \$55.9 million in instruction is primarily due to an increase in teachers' salaries. The variances of \$3.0 and \$2.6 million in support services for students and staff and administrative respectively, is primarily due to Arizona's budget structure. The State of Arizona requires that Districts list the full amount that they are authorized to spend, rather than the amount that they plan to spend that year. The District included the rollover amount in its budget, even though it does not intend to spend the full amount because reducing the reported budget would result in a loss of the money.

Tolleson Union High School District No. 214
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

Capital Assets and Debt Administration

Capital Assets. At year end, the District had invested \$700.2 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 \$72.3 million from the prior fiscal year, primarily due to school improvement projects. Total depreciation expense for the current fiscal year was \$21.5 million.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2025 and June 30, 2024.

	As of June 30, 2025	As of June 30, 2024
Capital assets - non-depreciable	\$ 76,478,157	\$ 49,122,338
Capital assets - depreciable, net	439,041,406	413,714,509
Total	<u>\$ 515,519,563</u>	<u>\$ 462,836,847</u>

The estimated cost to complete current construction projects is \$9.6 million.

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

Debt Administration. At year end, the District had \$430.5 million in long-term debt outstanding, \$23.2 million due within one year. Long-term debt increased by \$89.6 million primarily due the issuance of school improvement bonds.

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 \$626.9 million and the Class B debt limit is \$417.9 million, both of which are greater 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 9-12.

**Tolleson Union High School District No. 214
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025**

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 2025-26 budget. Among them:

- Fiscal year 2024-25 budget balance carry forward (estimated \$47.0 million).
- District student population (estimated 14,000).

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 \$290,218 or less than one percent in fiscal year 2025-26. aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2025-26 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, Tolleson Union High School District No. 214, 9801 West Van Buren Street, Tolleson, Arizona 85353.

Basic Financial Statements

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Government-Wide Financial Statements

Tolleson Union High School District No. 214
Statement of Net Position
June 30, 2025

	Governmental Activities
Assets	
Current assets:	
Cash and investments	\$ 336,490,188
Property taxes receivable	951,949
Due from governmental entities	22,208,322
Deposits	430,111
Leases receivable	26,319,110
Total current assets	<u>386,399,680</u>
Noncurrent assets:	
Net other postemployment benefit plan assets	4,524,522
Capital assets not being depreciated	76,478,157
Capital assets, net accumulated depreciation	439,041,406
Total noncurrent assets	<u>520,044,085</u>
Total assets	<u>906,443,765</u>
Deferred outflows of resources	
Pension plan items	26,297,253
Other postemployment benefit plan items	210,386
Total deferred outflows of resources	<u>26,507,639</u>
Liabilities	
Current liabilities:	
Accounts payable	8,349,372
Accrued payroll and employee benefits	2,430,931
Unearned revenues	16,582
Compensated absences payable	6,596,248
Financed purchases payable	1,296,375
Leases payable	229,997
Bonds payable	21,660,000
Accrued interest payable	5,801,637
Total current liabilities	<u>46,381,142</u>
Noncurrent liabilities:	
Non-current portion of long-term obligations	527,703,531
Total noncurrent liabilities	<u>527,703,531</u>
Total liabilities	<u>574,084,673</u>
Deferred inflows of resources	
Pension plan items	7,571,248
Other postemployment benefit plan items	1,657,224
Leases	1,279,313
Total deferred inflows of resources	<u>10,507,785</u>
Net position	
Net investment in capital assets	255,156,782
Restricted for:	
Instruction	34,727,598
Food service	5,515,130
Non-instructional purposes	1,537,116
Debt service	5,051,734
Capital outlay	17,182,814
Other postemployment benefit plan assets	4,524,522
Unrestricted	24,663,250
Total net position	<u>\$ 348,358,946</u>

Tolleson Union High School District No. 214
Statement of Activities
For the Year Ended June 30, 2025

					Net (Expense)
					Revenue and
					Changes in Net
					Position
		Program Revenue			
		Operating Grants		Capital Grants	
		Charges for	and	and	Governmental
Functions/Programs	Expenses	Services	Contributions	Contributions	Activities
Governmental activities					
Instruction	\$ 106,467,717	\$ 6,334,239	\$ 3,701,507	\$ 553,790	\$ (95,878,181)
Support services - students and staff	26,617,286	719,524	5,113,456		(20,784,306)
Support services - administration	24,571,056	143,125	390,332		(24,037,599)
Operation and maintenance of plant services	31,565,413	315,739	1,150,384	192,821	(29,906,469)
Student transportation services	11,572,976	47,757	73,646		(11,451,573)
Operation of non-instructional services	8,743,483	950,300	7,297,695	33,895	(461,593)
Interest on long-term debt	9,965,505				(9,965,505)
Total governmental activities	<u>\$ 219,503,436</u>	<u>\$ 8,510,684</u>	<u>\$ 17,727,020</u>	<u>\$ 780,506</u>	<u>(192,485,226)</u>
General revenues					
Property taxes					86,128,102
Investment income					9,073,664
Unrestricted state aid					103,185,176
Unrestricted federal aid					936,926
Total general revenues					<u>199,323,868</u>
Changes in net position					6,838,642
Net position, beginning of year					<u>341,520,304</u>
Net position, end of year					\$ 348,358,946

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Fund Financial Statements

Tolleson Union High School District No. 214
Balance Sheet
Governmental Funds
June 30, 2025

	General	Other Special Revenue	Debt Service	Bond Building
Assets				
Cash and investments	\$ 83,448,584	\$ 9,549,894	\$ 32,184,996	\$ 170,666,363
Property taxes receivable	623,574		328,375	
Due from governmental entities	18,376,668	1,071,270		
Deposits				
Leases receivable		26,319,110		
Total assets	<u>\$ 102,448,826</u>	<u>\$ 36,940,274</u>	<u>\$ 32,513,371</u>	<u>\$ 170,666,363</u>
Liabilities				
Accounts payable	\$ 1,276,969	\$	\$	\$ 6,737,971
Accrued payroll and employee benefits	2,377,255			
Unearned revenues				
Bonds payable			21,660,000	
Bond interest payable			5,801,637	
Total liabilities	<u>3,654,224</u>		<u>27,461,637</u>	<u>6,737,971</u>
Deferred inflows of resources				
Unavailable revenues - property taxes	212,435		202,342	
Unavailable revenues - intergovernmental				
Leases		26,279,313		
Total deferred inflows of resources	<u>212,435</u>	<u>26,279,313</u>	<u>202,342</u>	
Fund balances				
Restricted	11,036,094	10,660,961	4,849,392	163,928,392
Unassigned	87,546,073			
Total fund balances	<u>98,582,167</u>	<u>10,660,961</u>	<u>4,849,392</u>	<u>163,928,392</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 102,448,826</u>	<u>\$ 36,940,274</u>	<u>\$ 32,513,371</u>	<u>\$ 170,666,363</u>

Non-Major Governmental Funds	Total Governmental Funds
\$ 40,640,351	\$ 336,490,188
	951,949
2,760,384	22,208,322
430,111	430,111
	26,319,110
<u>\$ 43,830,846</u>	<u>\$ 386,399,680</u>

\$ 334,432	\$ 8,349,372
53,676	2,430,931
16,582	16,582
	21,660,000
	5,801,637
<u>404,690</u>	<u>38,258,522</u>

	414,777
608,893	608,893
	26,279,313
<u>608,893</u>	<u>27,302,983</u>

42,817,263	233,292,102
	87,546,073
<u>42,817,263</u>	<u>320,838,175</u>

<u>\$ 43,830,846</u>	<u>\$ 386,399,680</u>
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Tolleson Union High School District No. 214
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2025

Total fund balances - governmental funds **\$ 320,838,175**

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	\$ 700,209,402	
Less accumulated depreciation	<u>(184,689,839)</u>	
		515,519,563

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

Property taxes	414,777	
Intergovernmental	<u>608,893</u>	
		1,023,670

The net OPEB asset is not a current financial resource and, therefore, is not reported in the funds.

4,524,522

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	26,507,639	
Deferred inflows of resources related to pensions/OPEB	<u>(9,228,472)</u>	
		17,279,167

The lease-leaseback agreement is reported as a deferred inflow of resources in the fund financial statements, however, the deferred inflow was netted against the right-to-use asset in the Statement of Net Position.

25,000,000

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

Compensated absences payable	(8,476,072)	
Financed purchases payable	(12,934,060)	
Leases payable	(229,997)	
Bonds payable	(395,627,669)	
Net pension liability	<u>(118,558,353)</u>	
		<u>(535,826,151)</u>

Net position of governmental activities **\$ 348,358,946**

Tolleson Union High School District No. 214
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

	General	Other Special Revenue	Debt Service	Bond Building
Revenues				
Other local	\$ 5,154,552	\$ 6,833,264	\$ 878,143	\$ 3,095,783
Property taxes	51,705,073		29,823,195	
State aid and grants	87,386,170	100,500		
Federal aid, grants and reimbursements	<u>936,926</u>			
Total revenues	<u>145,182,721</u>	<u>6,933,764</u>	<u>30,701,338</u>	<u>3,095,783</u>
Expenditures				
Current:				
Instruction	71,533,810	5,750,153		
Support services - students and staff	18,406,504	718,690		
Support services - administration	20,252,909	202,838		
Operation and maintenance of plant services	18,433,179	24,188		
Student transportation services	8,515,070	71,324		
Operation of non-instructional services	1,018,452	344,976		
Capital outlay	17,265,080	215,406		57,950,643
Debt service:				
Principal retirement			21,660,000	1,674,349
Interest and fiscal charges			11,619,324	675,286
Bond issuance costs				<u>1,160,461</u>
Total expenditures	<u>155,425,004</u>	<u>7,327,575</u>	<u>33,279,324</u>	<u>61,460,739</u>
Excess (deficiency) of revenues over expenditures	<u>(10,242,283)</u>	<u>(393,811)</u>	<u>(2,577,986)</u>	<u>(58,364,956)</u>
Other financing sources (uses)				
Transfers in	319,663		3,095,195	
Transfers out	(1,788,731)			(3,095,195)
Issuance of school improvement bonds				115,650,000
Premium on sale of bonds				10,409,561
Proceeds from sale of capital assets	<u>279,599</u>			
Total other financing sources (uses)	<u>(1,189,469)</u>		<u>3,095,195</u>	<u>122,964,366</u>
Special item - lease-leaseback agreement	<u>(25,000,000)</u>			
Changes in fund balances	<u>(36,431,752)</u>	<u>(393,811)</u>	<u>517,209</u>	<u>64,599,410</u>
Fund balances, beginning of year, previously reported	135,013,919		4,332,183	99,328,982
Adjustments to beginning fund balances		<u>11,054,772</u>		
Fund balances, beginning of year, as restated	<u>135,013,919</u>	<u>11,054,772</u>	<u>4,332,183</u>	<u>99,328,982</u>
Fund balances, end of year	<u>\$ 98,582,167</u>	<u>\$ 10,660,961</u>	<u>\$ 4,849,392</u>	<u>\$ 163,928,392</u>

Non-Major Governmental Funds	Total Governmental Funds
\$ 1,750,292	\$ 17,712,034
5,000,005	86,528,273
17,197,281	104,683,951
<u>19,217,620</u>	<u>20,154,546</u>
<u>43,165,198</u>	<u>229,078,804</u>
17,312,390	94,596,353
6,523,426	25,648,620
421,083	20,876,830
1,836,233	20,293,600
76,416	8,662,810
6,847,730	8,211,158
2,717,381	78,148,510
	23,334,349
	12,294,610
	<u>1,160,461</u>
<u>35,734,659</u>	<u>293,227,301</u>
<u>7,430,539</u>	<u>(64,148,497)</u>
1,788,731	5,203,589
(319,663)	(5,203,589)
	115,650,000
	10,409,561
	<u>279,599</u>
<u>1,469,068</u>	<u>126,339,160</u>
	<u>(25,000,000)</u>
<u>8,899,607</u>	<u>37,190,663</u>
44,972,428	283,647,512
<u>(11,054,772)</u>	
<u>33,917,656</u>	<u>283,647,512</u>
<u>\$ 42,817,263</u>	<u>\$ 320,838,175</u>

Tolleson Union High School District No. 214
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2025

Changes in fund balances - total governmental funds **\$ 37,190,663**

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 and reported as depreciation expense.

Expenditures for capitalized assets	\$ 74,440,187	
Less current year depreciation	<u>(21,547,036)</u>	
		52,893,151

Issuance of long-term debt provides current financial resources to governmental funds, but the issuance increases long-term liabilities in the Statement of Net Position.

Issuance of school improvement bonds	(126,059,561)	
		(126,059,561)

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

Property taxes	(400,171)	
Intergovernmental	<u>(2,616,154)</u>	
		(3,016,325)

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.

Financed purchase principal retirement	1,223,076	
Lease principal retirement	451,273	
Bond principal retirement	<u>21,660,000</u>	
		23,334,349

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 liability/OPEB asset, adjusted for deferred items, is reported as pension expense in the Statement of Activities.

Current year pension/OPEB contributions	13,756,927	
Pension/OPEB expense	<u>(13,613,563)</u>	
		143,364

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

Loss on disposal of assets	(210,435)	
Amortization of deferred bond items	2,329,105	
Compensated absences	<u>(4,765,669)</u>	
		(2,646,999)

The lease-leaseback agreement is reported as a special item in the funds, however, the right-to-use assets are netted against deferred inflows on the Statement of Net Position.

25,000,000

Changes in net position in governmental activities **\$ 6,838,642**

Tolleson Union High School District No. 214
Notes to Financial Statements
June 30, 2025

Note 1 – Summary of Significant Accounting Policies

The financial statements of the Tolleson Union High School District No. 214 (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, 2025, the District implemented the provisions of GASB Statement No. 101, *Compensated Absences*. This Statement updates the recognition and measurement guidance for compensated absences. Liabilities are recognized for leave that has not been used, as well as leave that has been used but not yet paid in cash or settled through noncash means. The District's analysis of compensated absences in effect at the beginning of the year resulted in no changes to beginning balances reported in the financial statements due to the implementation of this standard.

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.

Tolleson Union High School District No. 214
Notes to Financial Statements
June 30, 2025

Note 1 – Summary of Significant Accounting Policies

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) present financial information about the District as a whole. The reported information includes all of the nonfiduciary activities of the District. For the most part, the effect of internal activity has been removed from these statements. These statements are to distinguish between the governmental and business-type activities of the District. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District does not have any business-type activities or fiduciary 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. The District does not allocate indirect expenses to programs of functions. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes, unrestricted state aid, and other items not included among program revenues are reported instead as general revenues.

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.

Tolleson Union High School District No. 214
Notes to Financial Statements
June 30, 2025

Note 1 – Summary of Significant Accounting Policies

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

Property taxes, state 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.

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 and the Unrestricted Capital Outlay Fund, as well as other funds that do not meet the criteria for separate reporting in the financial statements.

Tolleson Union High School District No. 214
Notes to Financial Statements
June 30, 2025

Note 1 – Summary of Significant Accounting Policies

Other Special Revenue Funds – The Other Special Revenue Funds accounts for the revenues and expenditures of other special revenue activities, including the following: civic center, community school, extracurricular activities fees tax credit, gifts and donations, career and technical education projects, fingerprinting, textbooks, grants and gifts to teachers, career technical education, and student activities.

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

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

D. Cash and Investments

A.R.S. require the District to deposit all cash with the County Treasurer, except as discussed below. Cash with the County Treasurer is pooled for investment purposes, except for cash of the Debt Service and Bond Building Funds 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.

Tolleson Union High School District No. 214
Notes to Financial Statements
June 30, 2025

Note 1 – Summary of Significant Accounting Policies

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

E. Investment Income

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

F. Receivables and Payables

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

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

G. Property Tax Calendar

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

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

Tolleson Union High School District No. 214
Notes to Financial Statements
June 30, 2025

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. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

I. Capital Assets

Capital assets, which include land and improvements; buildings and improvements; vehicles, furniture, and equipment; construction in progress; and intangible right-to-use assets, 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 estimated useful life of the asset. Intangible right-to-use assets are amortized over the shorter of the lease/subscription term or the underlying asset's useful life. Amortization of right-to-use assets is included with depreciation expense. The estimated useful lives and amortization periods are as follows:

Land improvements	10 - 20 years
Buildings and improvements	5 - 60 years
Vehicles, furniture and equipment	3 - 20 years
Intangible right-to-use assets	2- 5 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 assets 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 assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

Tolleson Union High School District No. 214
Notes to Financial Statements
June 30, 2025

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 more likely than not to be used or paid 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.

L. Leases

As lessee, the District recognizes lease liabilities with an initial, individual value of \$40,000 or more. If there is no stated rate in the lease contract and the implicit rate cannot be determined, the District uses the Daily Treasury Par Yield Curve Rate as the interest rate to measure the lease.

As lessor, the District recognizes lease receivables with an initial, individual value of \$50,000 or more. If there is no stated rate in the lease contract (or if the stated rate is not the rate the District charges the lessee) and the implicit rate cannot be determined, the District uses an interest rate based on the Applicable Federal Rate as the discount rate to measure lease receivables.

M. Pensions and Other Postemployment Benefits

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

N. Long-term Obligations

In the government-wide financial statements, 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.

Tolleson Union High School District No. 214
Notes to Financial Statements
June 30, 2025

Note 1 – Summary of Significant Accounting Policies

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

O. Interfund Activity

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

P. 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.

Q. Estimates

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

Note 2 – Fund Balance Classifications

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

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

Tolleson Union High School District No. 214
Notes to Financial Statements
June 30, 2025

Note 2 – Fund Balance Classifications

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.

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 District has established a fund balance policy which states that the District will maintain an unrestricted General Fund balance of 30 percent of the actual Maintenance & Operations expenditures. Unassigned fund balance in the General Fund accounted for 65 percent of the actual Maintenance & Operation expenditures for the year.

Tolleson Union High School District No. 214
Notes to Financial Statements
June 30, 2025

Note 2 – Fund Balance Classifications

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

	General	Other Special Revenue	Debt Service	Bond Building	Non-Major Governmental Funds
Fund Balances:					
Restricted:					
Debt service	\$	\$	\$ 4,849,392	\$	\$
Capital projects	11,036,094				2,251,884
Bond building projects				163,928,392	
Adjacent ways					10,055,389
Voter approved initiatives					23,201,868
Federal and state projects					1,792,992
Food service					5,515,130
Civic center		1,395,017			
Community schools		108,606			
Extracurricular activities		504,522			
Gifts and donations		1,143,494			
Career technical education		6,413,950			
Student activities		961,104			
Other purposes		134,268			
Unassigned	87,546,073				
Total fund balances	<u>\$ 98,582,167</u>	<u>\$ 10,660,961</u>	<u>\$ 4,849,392</u>	<u>\$ 163,928,392</u>	<u>\$ 42,817,263</u>

Note 3 – Stewardship, Compliance and Accountability

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 \$53 and the bank balance was \$199,844. At year end, the District's deposits were covered by federal depository insurance. In addition, the District had \$6,160,553 of cash with Trustee.

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

Tolleson Union High School District No. 214
Notes to Financial Statements
June 30, 2025

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

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer's investment pool	452 days	\$ 330,329,582

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

	<u>General</u>	<u>Other Special Revenue</u>	<u>Non-Major Governmental Funds</u>
Due from other governmental entities:			
Due from federal government	\$	\$	\$ 1,947,865
Due from state government	18,376,668		812,519
Due from other districts		1,071,270	
Net due from governmental entities	<u>\$ 18,376,668</u>	<u>\$ 1,071,270</u>	<u>\$ 2,760,384</u>

Tolleson Union High School District No. 214
Notes to Financial Statements
June 30, 2025

Note 6 – Leases Receivable

The District acts as lessor in various agreements, many of which are for cell phone towers under the provisions of contracts classified as leases.

During fiscal year 2024-25, the District also entered into a \$25 million lease-leaseback transaction with another Arizona school district experiencing extreme financial distress. The District entered into a ground lease as lessee to lease property for a school site and subsequently leased back to the owner the same property as lessor. The net effect of the transaction on the fund financial statements resulted in the District recording an expenditure, which is reported as a special item, for their portion because the District paid the entire lease up-front, while the portion of the lease as a lessor is reflected in the lease receivable balance because the lessee will pay the District over the next five years. The right-to-use leased asset was netted against the deferred inflow of resources for leases on the government-wide statements in accordance with generally accepted accounting principles for lease-leaseback transactions. As a result, only the lease receivable is reported on the government-wide financial statements.

The related receivables under the lease agreements have been recorded at the present value of their future minimum lease payments as of the inception date. Lease revenue of \$101,940, and related interest revenue of \$3,490 are recorded as other local revenue in the Other Special Revenue Fund.

Note 7 – Capital Assets

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

	Beginning Balance	Increase	Decrease	Ending Balance
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 37,621,327	\$ 6,023,939	\$	\$ 43,645,266
Construction in progress	11,501,011	58,059,790	36,727,910	32,832,891
Total capital assets, not being depreciated	<u>49,122,338</u>	<u>64,083,729</u>	<u>36,727,910</u>	<u>76,478,157</u>
Capital assets, being depreciated:				
Land improvements	53,330,645	10,208,216		63,538,861
Buildings and improvements	484,673,956	20,389,951	479,474	504,584,433
Vehicles, furniture and equipment	39,929,364	16,486,201	1,672,971	54,742,594
Right-to-use leased vehicles, furniture and equipment	865,357			865,357
Total capital assets being depreciated	<u>578,799,322</u>	<u>47,084,368</u>	<u>2,152,445</u>	<u>623,731,245</u>
Less accumulated depreciation for:				
Land improvements	(15,464,619)	(2,789,866)		(18,254,485)
Buildings and improvements	(125,373,873)	(13,109,441)		(138,483,314)
Vehicles, furniture and equipment	(24,045,078)	(5,355,928)	(1,942,010)	(27,458,996)
Right-to-use leased vehicles, furniture and equipment	(201,243)	(291,801)		(493,044)
Total accumulated depreciation	<u>(165,084,813)</u>	<u>(21,547,036)</u>	<u>(1,942,010)</u>	<u>(184,689,839)</u>
Total capital assets being depreciated, net	<u>413,714,509</u>	<u>25,537,332</u>	<u>210,435</u>	<u>439,041,406</u>
Governmental activities capital assets, net	<u>\$ 462,836,847</u>	<u>\$ 89,621,061</u>	<u>\$ 36,938,345</u>	<u>\$ 515,519,563</u>

Tolleson Union High School District No. 214
Notes to Financial Statements
June 30, 2025

Note 7 – Capital Assets

Depreciation expenses was charged to governmental functions as follows:

Instruction	\$ 6,445,133
Support services – students and staff	229,364
Support services – administration	2,143,942
Operation and maintenance of plant services	10,435,068
Student transportation services	2,033,665
Operation of non-instructional services	259,864
Total depreciation expense – governmental activities	<u>\$ 21,547,036</u>

Construction Commitments – At year end, the District had contractual commitments related to various renovation projects at multiple high schools. At year end the District had spent \$32.8 million on the projects and had estimated remaining contractual commitments of \$9.6 million. These projects are being funded with General Fund monies and bond proceeds.

Note 8 – Short Term Debt – Revolving Line of Credit

The District has a revolving line of credit to provide cash flow during the year to mitigate the impact of timing differences of expenditures and the receipt of state aid and property tax revenues. At year end, the District had \$2.0 million in unused line of credit.

Note 9 – Financed Purchases Payable

The District has acquired copiers and funding to build a warehouse under the provisions of contracts classified as financed purchases payable. Revenues from the General Fund are used to pay the debt obligation.

Annual debt service requirements to maturity on financed purchases payable at year end are summarized as follows:

Year ending June 30:	Governmental Activities	
	Principal	Interest
2026	\$ 1,296,375	\$ 579,729
2027	1,358,029	518,074
2028	1,285,399	453,332
2029	1,342,085	396,646
2030	1,401,271	337,460
2031-34	6,250,901	704,027
Total	<u>\$ 12,934,060</u>	<u>\$ 2,989,268</u>

Tolleson Union High School District No. 214
Notes to Financial Statements
June 30, 2025

Note 10 – Leases Payable

The District has acquired vehicles under the provisions of contracts classified as leases. The related obligations under the lease agreements have been recorded at the present value of their future minimum lease payments as of the inception date. Revenues from the Bond Building Fund are used to pay the lease obligations. Amortization of right-to-use assets recorded under leases is included with depreciation expense.

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

Year ending June 30:	Governmental Activities	
	Principal	Interest
2026	\$ 229,997	\$ 4,926

Note 11 – 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. The District's legal debt limit is \$626.9 million, and the available margin is \$226.4 million. Of the amount originally authorized, \$125.0 million remains unissued.

Purpose	Original Amount Issued	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2025	Due Within One Year
Governmental activities:					
School Improvement Bonds, Project of 2017, Series A (2018)	\$ 59,495,000	3.00 - 5.00%	7/1/25-37	\$ 38,925,000	\$ 600,000
School Improvement Bonds, Project of 2017, Series B (2019)	58,475,000	3.00 - 5.00%	7/1/25-38	46,425,000	3,800,000
School Improvement Bonds, Project of 2019, Series A (2020)	56,630,000	2.00 - 5.00%	7/1/25-39	38,960,000	4,925,000
School Improvement Bonds, Project of 2019, Series B (2021)	60,730,000	3.00 - 5.00%	7/1/25-41	45,545,000	5,660,000
School Improvement Bonds, Project of 2021, Series A (2022)	39,710,000	3.00 - 5.00%	7/1/25-33	21,235,000	5,200,000
School Improvement Bonds, Project of 2021, Series B (2023)	76,550,000	5.00%	7/1/25-39	67,305,000	1,475,000
School Improvement Bonds, Project of 2023 and 2024, Series (2025)	115,650,000	5.00%	7/1/26-41	115,650,000	
Total				<u>\$ 374,045,000</u>	<u>\$ 21,660,000</u>

Tolleson Union High School District No. 214
Notes to Financial Statements
June 30, 2025

Note 11 – General Obligation Bonds Payable

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

Year ending June 30:	Governmental Activities	
	Principal	Interest
2026	\$ 21,660,000	\$ 15,673,923
2027	27,995,000	15,453,462
2028	24,085,000	14,176,762
2029	24,485,000	13,020,737
2030	14,995,000	12,066,662
2031-35	96,130,000	48,113,717
2036-40	125,185,000	23,112,412
2041-42	39,510,000	1,808,950
Total	<u>\$ 374,045,000</u>	<u>\$ 143,426,625</u>

Note 12 – 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	\$ 290,850,000	\$ 115,650,000	\$ 32,455,000	\$ 374,045,000	\$ 21,660,000
Premium	35,162,213	10,409,561	2,329,105	43,242,669	
Total bonds payable	<u>326,012,213</u>	<u>126,059,561</u>	<u>34,784,105</u>	<u>417,287,669</u>	<u>21,660,000</u>
Financed purchases payable	14,157,136		1,223,076	12,934,060	1,296,375
Leases payable	681,270		451,273	229,997	229,997
Net pension liability	113,326,750	5,231,603		118,558,353	
Compensated absences payable	<u>3,710,403</u>	<u>4,765,669</u>		<u>8,476,072</u>	<u>6,596,248</u>
Total long-term liabilities	<u>\$ 457,887,772</u>	<u>\$ 136,056,833</u>	<u>\$ 36,458,454</u>	<u>\$ 557,486,151</u>	<u>\$ 29,782,620</u>

Tolleson Union High School District No. 214
Notes to Financial Statements
June 30, 2025

Note 13 – Interfund Receivables, Payables, and Transfers

At year end, interfund balances were as follows:

Interfund transfers:

	Transfers in			
	Non-Major Governmental			Total
Transfers out	General	Debt Service	Funds	
General	\$	\$	\$ 1,788,731	\$ 1,788,731
Bond Building		3,095,195		3,095,195
Non-Major Governmental Funds	319,663			319,663
Total	<u>\$ 319,663</u>	<u>\$ 3,095,195</u>	<u>\$ 1,788,731</u>	<u>\$ 5,203,589</u>

Transfers between funds were used to (1) move federal grant funds restricted for indirect costs and (2) transfer payment amounts for repayment of the capital investment of the qualified provider or utility, energy, or water services company.

Note 14 – 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.

In addition, the District entered into an unusual lease-leaseback transaction as discussed in Note 6. The unusual nature of the transaction led in part, to the subsequent event discussed in Note 18, in which the Joint Legislative Audit Committee called for an audit of the District subsequent to year end. The audit is being conducted by the State Office of the Auditor General and will cover a myriad of items including review of leases, bond sales, planned construction, and other items. The results of the audit are not anticipated until January 2027.

Lawsuits – The District is a party to a number of various types of lawsuits, many of which normally occur in governmental operations. The ultimate outcome of the actions is not determinable, however, District management believes that the outcome of these proceedings, either individually or in the aggregate, will not have a materially adverse effect on the accompanying financial statements.

Tolleson Union High School District No. 214
Notes to Financial Statements
June 30, 2025

Note 15 – Restatements of Beginning Balances

Change within the Financial Reporting Entity – In the current fiscal year, there has been a change in major funds. The Other Special Revenue Funds was added because it has assets or revenues that exceed 10 percent of total assets or revenues. The change is reflected on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances.

	June 30, 2024, as Previously Reported	Change within the Financial Reporting Entity	June 30, 2024, as Restated
Governmental Funds			
Major Funds:			
General Fund	\$ 135,013,919		\$ 135,013,919
Other Special Revenue		11,054,772	11,054,772
Debt Service	4,332,183		4,332,183
Bond Building	99,328,982		99,328,982
Non-Major Governmental Funds	44,972,428	(11,054,772)	33,917,656
Total Governmental Funds	<u>\$ 283,647,512</u>	<u>\$</u>	<u>\$ 283,647,512</u>

Note 16 – Risk Management

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

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

The District joined the Arizona School Alliance for Workers' Compensation, Inc. (Alliance) together with other school districts in the state for risks of loss related to workers' compensation claims. The Alliance is a public entity risk pool currently operating as a common risk management and insurance program for school districts in the State. The District pays 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.

Tolleson Union High School District No. 214
Notes to Financial Statements
June 30, 2025

Note 16 – Risk Management

The District joined the Valley Schools Employee Benefit Trust (VSEBT) for risks of loss related to employee health and accident claims. VSEBT 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 VSEBT for employees' health and accident insurance coverage. The agreement provides that VSEBT will be self-sustaining through members' premiums and will reinsure through commercial companies for claims in excess of specified amounts for each insured event.

Note 17 – Pensions

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, 2025, the District reported the following aggregate amounts related to pensions and OPEB for all plans to which

	Pension	OPEB	Total
Net assets	\$	\$ (4,524,522)	\$ (4,524,522)
Net liability	118,558,353		118,558,353
Deferred outflows of resources	26,297,253	210,386	26,507,639
Deferred inflows of resources	7,571,248	1,657,224	9,228,472
Expense	16,611,793	(2,998,230)	13,613,563
Contributions	13,677,473	79,454	13,756,927

The ASRS OPEB plans are not further disclosed because of their relative insignificance to the District's financial statements.

Tolleson Union High School District No. 214
Notes to Financial Statements
June 30, 2025

Note 17 – Pensions

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

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

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

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 12.27 percent (12.12 percent for retirement and 0.15 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 12.27 percent (12.05 percent for retirement, 0.07 percent for health insurance premium benefit, and 0.15 percent for long-term disability) of the active members' annual covered payroll. The District's contributions to the pension plan for the year ended June 30, 2025 were \$13,677,473.

Tolleson Union High School District No. 214
Notes to Financial Statements
June 30, 2025

Note 17 – Pensions

Employers are also required to pay an Alternate Contribution Rate (ACR), for retired members who return to work in positions that would typically be filled by an employee who contributes to ASRS. The District was required by statute to contribute at the actuarially determined rate of 10.19 percent (10.14 for retirement and 0.05 percent for long-term disability). ACR contributions are included in employer contributions presented above.

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

Pension Liability. The net pension liability was measured as of June 30, 2024. The total liability used to calculate the net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2023, to the measurement date of June 30, 2024. The District's proportion of the net 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, 2024.

At June 30, 2024, the District reported the following amounts for its proportionate share of the pension plan net liability. In addition, at June 30, 2024, the District's percentage proportion for the plan and the related change from its proportion measured as of June 30, 2023 was:

Net Liability	District % Proportion	Increase (Decrease)
\$ 118,558,353	0.741	0.041

Pension Expense and Deferred Outflows/Inflows of Resources. The District has deferred outflows and inflows of resources related to the net pension liability. Certain changes in the net pension liability are recognized as pension expense over a period of time rather than the year of occurrence. The District's pension expense for the year ended June 30, 2025 was \$16,611,793.

Tolleson Union High School District No. 214
Notes to Financial Statements
June 30, 2025

Note 17 – Pensions

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,617,816	\$
Net difference between projected and actual earnings on pension investments		7,571,248
Changes in proportion and differences between contributions and proportionate share of contributions	6,001,964	
Contributions subsequent to the measurement date	13,677,473	
Total	<u>\$ 26,297,253</u>	<u>\$ 7,571,248</u>

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 liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:		
2026	\$	497,150
2027		7,857,327
2028		(1,916,532)
2029		(1,389,413)

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

Actuarial valuation date	June 30, 2023
Actuarial roll forward date	June 30, 2024
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Inflation	2.3%
Projected salary increases	2.9-8.4%
Permanent base increases	Included
Mortality rates	2017 SRA Scale U-MP

Tolleson Union High School District No. 214
Notes to Financial Statements
June 30, 2025

Note 17 – Pensions

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2020. 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, 2020, actuarial valuation.

The long-term expected rate of return on ASRS plan investments was determined to be 7.0 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, excluding any expected inflation.

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

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Public equity	44%	4.48%
Credit	23%	4.40
Interest rate sensitive	6%	(.45)
Private equity	10%	6.11
Real estate	17%	6.05
Total	100%	

Discount Rate. The discount rate used to measure the total pension liability was 7.0 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 plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension liability.

Tolleson Union High School District No. 214
Notes to Financial Statements
June 30, 2025

Note 17 – Pensions

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Rate	6.0%	7.0%	8.0%
Net liability	\$ 181,537,081	\$ 118,558,353	\$ 66,071,081

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

Note 18 – Subsequent Event

On October 7, 2025, the Joint Legislative Audit Committee called for a special audit to be performed by the Office of the Auditor General to assess the District's policies, procedures, and practices for a number of items including conflict of interest, lease purchases, land leases, bond and override elections, procurement, and other items. The results of the audit are not expected until January 2027.

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Required Supplementary Information

Tolleson Union High School District No. 214
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General
For the Year Ended June 30, 2025

	Budget		Non-GAAP Actual	Variance with Final Budget
	Original	Final		
Revenues				
Other local	\$	\$	\$ 3,000,567	\$ 3,000,567
Property taxes			18,196,615	18,196,615
State aid and grants			87,386,170	87,386,170
Total revenues			108,583,352	108,583,352
Expenditures				
Current:				
Instruction	138,862,385	126,816,987	70,949,864	55,867,123
Support services - students and staff	15,161,025	15,161,025	18,127,883	(2,966,858)
Support services - administration	16,669,400	16,669,400	19,296,067	(2,626,667)
Operation and maintenance of plant services	16,202,000	16,202,000	16,270,133	(68,133)
Student transportation services	6,825,000	6,825,000	8,507,960	(1,682,960)
Operation of non-instructional services	997,500	997,500	950,401	47,099
Total expenditures	194,717,310	182,671,912	134,102,308	48,569,604
Excess (deficiency) of revenues over expenditures	(194,717,310)	(182,671,912)	(25,518,956)	157,152,956
Other financing sources (uses)				
Transfers out			(1,788,731)	(1,788,731)
Total other financing sources (uses)			(1,788,731)	(1,788,731)
Changes in fund balances	(194,717,310)	(182,671,912)	(27,307,687)	155,364,225
Fund balances, beginning of year			98,947,981	98,947,981
Fund balances, end of year	\$ (194,717,310)	\$ (182,671,912)	\$ 71,640,294	\$ 254,312,206

Tolleson Union High School District No. 214
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Other Special Revenue
For the Year Ended June 30, 2025

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Other local	\$	\$	\$ 6,833,264	\$ 6,833,264
State aid and grants			100,500	100,500
Total revenues			<u>6,933,764</u>	<u>6,933,764</u>
Expenditures				
Current:				
Instruction	8,773,259	8,420,131	5,750,153	2,669,978
Support services - students and staff	1,096,537	1,052,401	718,690	333,711
Support services - administration	309,479	297,022	202,838	94,184
Operation and maintenance of plant services	36,905	35,419	24,188	11,231
Student transportation services	108,822	104,442	71,324	33,118
Operation of non-instructional services	526,345	505,159	344,976	160,183
Capital outlay	328,654	315,426	215,406	100,020
Total expenditures	<u>11,180,000</u>	<u>10,730,000</u>	<u>7,327,575</u>	<u>3,402,425</u>
Changes in fund balances	<u>(11,180,000)</u>	<u>(10,730,000)</u>	<u>(393,811)</u>	<u>10,336,189</u>
Fund balances, beginning of year			<u>11,054,772</u>	<u>11,054,772</u>
Fund balances, end of year	<u>\$ (11,180,000)</u>	<u>\$ (10,730,000)</u>	<u>\$ 10,660,961</u>	<u>\$ 21,390,961</u>

Tolleson Union High School District No. 214
Schedule of the Proportionate Share of the Net Pension Liability
Arizona State Retirement System
Last Ten Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Measurement date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
District's proportion of the net pension (assets) liability	0.00%	0.70%	0.66%	0.63%
District's proportionate share of the net pension (assets) liability	\$ 118,558,353	\$ 113,326,750	\$ 108,314,258	\$ 82,466,481
District's covered payroll	\$ 103,347,365	\$ 92,389,773	\$ 79,038,143	\$ 69,995,494
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	114.72%	122.66%	137.04%	117.82%
Plan fiduciary net position as a percentage of the total pension liability	76.93%	75.47%	74.26%	78.58%

Schedule of Pension Contributions
Arizona State Retirement System
Last Ten Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Actuarially determined contribution	\$ 13,677,473	\$ 12,432,688	\$ 11,012,861	\$ 9,492,481
Contributions in relation to the actuarially determined contribution	<u>13,677,473</u>	<u>12,432,688</u>	<u>11,012,861</u>	<u>9,492,481</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 113,506,000	\$ 103,347,365	\$ 92,389,773	\$ 79,038,143
Contributions as a percentage of covered payroll	12.05%	12.03%	11.92%	12.01%

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
0.56%	0.51%	0.48%	0.46%	0.42%	0.45%
\$ 96,879,504	\$ 73,413,530	\$ 66,379,670	\$ 70,940,885	\$ 67,600,141	\$ 69,903,127
\$ 61,427,389	\$ 53,259,580	\$ 47,398,073	\$ 44,249,852	\$ 39,024,802	\$ 41,317,805
157.71%	137.84%	140.05%	160.32%	173.22%	169.18%
69.33%	73.24%	73.40%	69.92%	67.06%	68.35%

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 8,154,475	\$ 7,033,436	\$ 5,954,421	\$ 5,166,390	\$ 4,770,134	\$ 4,234,191
<u>8,154,475</u>	<u>7,033,436</u>	<u>5,954,421</u>	<u>5,166,390</u>	<u>4,770,134</u>	<u>4,234,191</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
\$ 69,995,494	\$ 61,427,389	\$ 53,259,580	\$ 47,398,073	\$ 44,249,852	\$ 39,024,802
11.65%	11.45%	11.18%	10.90%	10.78%	10.85%

Tolleson Union High School District No. 214
Notes to Required Supplementary Information
June 30, 2025

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.

- Prepaid items are budgeted in the year prepaid.
- Employee insurance expenditures are budgeted in the year the employee insurance account is funded.

Additionally, the General Fund includes the Maintenance and Operations Fund and other funds that do not meet the criteria for separate reporting in the financial statements. Arizona Revised Statutes requires the Maintenance and Operations Fund budget, and therefore these other funds must be subtracted to present only the activity of the Maintenance and Operations Fund.

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

	Total Expenditures	Fund Balances End of Year
Statement of Revenues, Expenditures and Changes in		
Fund Balances - Governmental Funds	\$ 155,425,004	\$ 98,582,167
Other funds presented in the General Fund	(19,620,043)	(26,269,267)
Prior-year prepaid items	(1,869,152)	
Employee insurance account	<u>166,499</u>	<u>(672,606)</u>
Schedule of Revenue, Expenditures and Changes in		
Fund Balances – Budget and Actual - General Fund	<u>\$ 134,102,308</u>	<u>\$ 71,640,294</u>

Note 2 – Pension Plan Schedules

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

Factors that Affect Trends. The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2020. 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, 2020, actuarial valuation.

**Combining and Individual
Fund Financial Statements
and Schedules**

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Governmental Funds

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Non-Major Governmental Funds

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.

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

Federal and State Grants – The Federal and State Grants Fund accounts for financial assistance received for federal and state grants and projects.

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.

Capital Projects Funds

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

Other Capital Projects Funds – to account for the revenues and expenditures of other capital projects activities, including the following: gifts and donations – capital, energy water and savings, and new school facilities.

Tolleson Union High School District No. 214
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2025

	Special Revenue Funds			
	Classroom Site	Instructional Improvement	Federal and State Grants	Food Service
Assets				
Cash and investments	\$ 19,346,824	\$ 3,322,798	\$ 1,130,933	\$ 4,601,931
Due from governmental entities		532,246	1,515,317	643,413
Deposits				430,111
Total assets	<u>\$ 19,346,824</u>	<u>\$ 3,855,044</u>	<u>\$ 2,646,250</u>	<u>\$ 5,675,455</u>
Liabilities				
Accounts payable	\$	\$	\$ 227,783	\$ 106,649
Accrued payroll and employee benefits				53,676
Unearned revenues			16,582	
Total liabilities			<u>244,365</u>	<u>160,325</u>
Deferred inflows of resources				
Unavailable revenues - intergovernmental			608,893	
Total deferred inflows of resources			<u>608,893</u>	
Fund balances				
Restricted	<u>19,346,824</u>	<u>3,855,044</u>	<u>1,792,992</u>	<u>5,515,130</u>
Total fund balances	<u>19,346,824</u>	<u>3,855,044</u>	<u>1,792,992</u>	<u>5,515,130</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 19,346,824</u>	<u>\$ 3,855,044</u>	<u>\$ 2,646,250</u>	<u>\$ 5,675,455</u>

Capital Projects Funds		Total Non-Major	
Adjacent Ways	Other Capital Projects	Governmental Funds	
\$ 10,055,389	\$ 2,182,476	\$ 40,640,351	
	69,408	2,760,384	
		430,111	
<u>\$ 10,055,389</u>	<u>\$ 2,251,884</u>	<u>\$ 43,830,846</u>	
\$	\$	\$ 334,432	
		53,676	
		16,582	
		404,690	
		608,893	
		608,893	
10,055,389	2,251,884	42,817,263	
<u>10,055,389</u>	<u>2,251,884</u>	<u>42,817,263</u>	
<u>\$ 10,055,389</u>	<u>\$ 2,251,884</u>	<u>\$ 43,830,846</u>	

Tolleson Union High School District No. 214
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds			
	Classroom Site	Instructional Improvement	Federal and State Grants	Food Service
Revenues				
Other local	\$ 684,851	\$ 126,236	\$ 84,585	\$ 636,258
Property taxes				
State aid and grants	14,682,377	1,116,629	1,205,454	
Federal aid, grants and reimbursements			11,991,930	7,225,690
Total revenues	<u>15,367,228</u>	<u>1,242,865</u>	<u>13,281,969</u>	<u>7,861,948</u>
Expenditures				
Current:				
Instruction	12,404,784	1,489,480	3,418,126	
Support services - students and staff	1,081,870	118,958	5,319,898	2,700
Support services - administration			418,495	2,588
Operation and maintenance of plant services			1,039,046	797,187
Student transportation services			76,416	
Operation of non-instructional services			5,603	6,842,127
Capital outlay			730,365	33,895
Total expenditures	<u>13,486,654</u>	<u>1,608,438</u>	<u>11,007,949</u>	<u>7,678,497</u>
Excess (deficiency) of revenues over expenditures	<u>1,880,574</u>	<u>(365,573)</u>	<u>2,274,020</u>	<u>183,451</u>
Other financing sources (uses)				
Transfers in				
Transfers out			(319,663)	
Total other financing sources (uses)			<u>(319,663)</u>	
Changes in fund balances	<u>1,880,574</u>	<u>(365,573)</u>	<u>1,954,357</u>	<u>183,451</u>
Fund balances, beginning of year, previously reported	17,466,250	4,220,617	(161,365)	5,331,679
Adjustments to beginning fund balances				
Fund balances, beginning of year, as restated	<u>17,466,250</u>	<u>4,220,617</u>	<u>(161,365)</u>	<u>5,331,679</u>
Fund balances, end of year	<u>\$ 19,346,824</u>	<u>\$ 3,855,044</u>	<u>\$ 1,792,992</u>	<u>\$ 5,515,130</u>

Special Revenue			
Funds	Capital Projects Funds		
Other Special Revenue	Adjacent Ways	Other Capital Projects	Total Non-Major Governmental Funds
	\$ 201,272	\$ 17,090	\$ 1,750,292
	5,000,005		5,000,005
		192,821	17,197,281
			19,217,620
	5,201,277	209,911	43,165,198
			17,312,390
			6,523,426
			421,083
			1,836,233
			76,416
			6,847,730
	1,851,812	101,309	2,717,381
	1,851,812	101,309	35,734,659
	3,349,465	108,602	7,430,539
		1,788,731	1,788,731
			(319,663)
		1,788,731	1,469,068
	3,349,465	1,897,333	8,899,607
11,054,772	6,705,924	354,551	44,972,428
(11,054,772)			(11,054,772)
	6,705,924	354,551	33,917,656
\$	\$ 10,055,389	\$ 2,251,884	\$ 42,817,263

Tolleson Union High School District No. 214
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Classroom Site
For the Year Ended June 30, 2025

	<u>Budget</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues				
Other local	\$	\$	\$ 684,851	\$ 684,851
State aid and grants			14,682,377	14,682,377
Total revenues			<u>15,367,228</u>	<u>15,367,228</u>
Expenditures				
Current:				
Instruction	26,631,519	28,383,022	12,404,784	15,978,238
Support services - students and staff	4,270,000	4,270,000	1,081,870	3,188,130
Total expenditures	<u>30,901,519</u>	<u>32,653,022</u>	<u>13,486,654</u>	<u>19,166,368</u>
Changes in fund balances	<u>(30,901,519)</u>	<u>(32,653,022)</u>	<u>1,880,574</u>	<u>34,533,596</u>
Fund balances, beginning of year			<u>17,466,250</u>	<u>17,466,250</u>
Fund balances, end of year	<u>\$ (30,901,519)</u>	<u>\$ (32,653,022)</u>	<u>\$ 19,346,824</u>	<u>\$ 51,999,846</u>

Tolleson Union High School District No. 214
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Instructional Improvement
For the Year Ended June 30, 2025

	<u>Budget</u>		<u>Variance with</u>
	<u>Original and Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues			
Other local	\$	\$ 126,236	\$ 126,236
State aid and grants		1,116,629	1,116,629
Total revenues		<u>1,242,865</u>	<u>1,242,865</u>
Expenditures			
Current:			
Instruction	2,129,895	1,489,480	640,415
Support services - students and staff	170,105	118,958	51,147
Total expenditures	<u>2,300,000</u>	<u>1,608,438</u>	<u>691,562</u>
Changes in fund balances	<u>(2,300,000)</u>	<u>(365,573)</u>	<u>1,934,427</u>
Fund balances, beginning of year		<u>4,220,617</u>	<u>4,220,617</u>
Fund balances, end of year	<u>\$ (2,300,000)</u>	<u>\$ 3,855,044</u>	<u>\$ 6,155,044</u>

Tolleson Union High School District No. 214
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Federal and State Grants
For the Year Ended June 30, 2025

	<u>Budget</u>		<u>Variance with</u>
	<u>Original and Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues			
Other local	\$	\$ 84,585	\$ 84,585
State aid and grants		1,205,454	1,205,454
Federal aid, grants and reimbursements		11,991,930	11,991,930
Total revenues		<u>13,281,969</u>	<u>13,281,969</u>
Expenditures			
Current:			
Instruction	2,182,605	3,418,126	(1,235,521)
Support services - students and staff	3,396,960	5,319,898	(1,922,938)
Support services - administration	267,225	418,495	(151,270)
Operation and maintenance of plant services	663,471	1,039,046	(375,575)
Student transportation services	48,795	76,416	(27,621)
Operation of non-instructional services	3,578	5,603	(2,025)
Capital outlay	466,366	730,365	(263,999)
Total expenditures	<u>7,029,000</u>	<u>11,007,949</u>	<u>(3,978,949)</u>
Excess (deficiency) of revenues over expenditures	<u>(7,029,000)</u>	<u>2,274,020</u>	<u>9,303,020</u>
Other financing sources (uses)			
Transfers out		(319,663)	(319,663)
Total other financing sources (uses)		<u>(319,663)</u>	<u>(319,663)</u>
Changes in fund balances	<u>(7,029,000)</u>	<u>1,954,357</u>	<u>8,983,357</u>
Fund balances, beginning of year		<u>(161,365)</u>	<u>(161,365)</u>
Fund balances, end of year	<u>\$ (7,029,000)</u>	<u>\$ 1,792,992</u>	<u>\$ 8,821,992</u>

Tolleson Union High School District No. 214
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Food Service
For the Year Ended June 30, 2025

	<u>Budget</u>		<u>Variance with</u>
	<u>Original and Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues			
Other local	\$	\$ 636,258	\$ 636,258
Federal aid, grants and reimbursements		7,225,690	7,225,690
Total revenues		7,861,948	7,861,948
Expenditures			
Current:			
Support services - students and staff	2,286	2,700	(414)
Support services - administration	2,191	2,588	(397)
Operation and maintenance of plant services	674,835	797,187	(122,352)
Operation of non-instructional services	5,791,996	6,842,127	(1,050,131)
Capital outlay	28,693	33,895	(5,202)
Total expenditures	6,500,000	7,678,497	(1,178,497)
Changes in fund balances	(6,500,000)	183,451	6,683,451
Fund balances, beginning of year		5,331,679	5,331,679
Fund balances, end of year	\$ (6,500,000)	\$ 5,515,130	\$ 12,015,130

Tolleson Union High School District No. 214
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Debt Service
For the Year Ended June 30, 2025

	<u>Budget</u>		<u>Variance with</u>
	<u>Original and Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues			
Other local	\$	\$ 878,143	\$ 878,143
Property taxes		29,823,195	29,823,195
Total revenues		<u>30,701,338</u>	<u>30,701,338</u>
Expenditures			
Debt service:			
Principal retirement		21,660,000	(21,660,000)
Interest and fiscal charges	3,500,000	11,619,324	(8,119,324)
Total expenditures	<u>3,500,000</u>	<u>33,279,324</u>	<u>(29,779,324)</u>
Excess (deficiency) of revenues over expenditures	<u>(3,500,000)</u>	<u>(2,577,986)</u>	<u>922,014</u>
Other financing sources (uses)			
Transfers in		3,095,195	3,095,195
Total other financing sources (uses)		<u>3,095,195</u>	<u>3,095,195</u>
Changes in fund balances	<u>(3,500,000)</u>	<u>517,209</u>	<u>4,017,209</u>
Fund balances, beginning of year		<u>4,332,183</u>	<u>4,332,183</u>
Fund balances, end of year	<u>\$ (3,500,000)</u>	<u>\$ 4,849,392</u>	<u>\$ 8,349,392</u>

Tolleson Union High School District No. 214
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Adjacent Ways
For the Year Ended June 30, 2025

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Other local	\$	\$	201,272	201,272
Property taxes			5,000,005	5,000,005
Total revenues			<u>5,201,277</u>	<u>5,201,277</u>
Expenditures				
Capital outlay	<u>8,000,000</u>	<u>6,687,000</u>	<u>1,851,812</u>	<u>4,835,188</u>
Total expenditures	<u>8,000,000</u>	<u>6,687,000</u>	<u>1,851,812</u>	<u>4,835,188</u>
Changes in fund balances	<u>(8,000,000)</u>	<u>(6,687,000)</u>	<u>3,349,465</u>	<u>10,036,465</u>
Fund balances, beginning of year			<u>6,705,924</u>	<u>6,705,924</u>
Fund balances, end of year	<u>\$ (8,000,000)</u>	<u>\$ (6,687,000)</u>	<u>\$ 10,055,389</u>	<u>\$ 16,742,389</u>

Tolleson Union High School District No. 214
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Bond Building
For the Year Ended June 30, 2025

	<u>Budget</u>		<u>Variance with</u>
	<u>Original and Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues			
Other local	\$	\$ 3,095,783	\$ 3,095,783
Total revenues		<u>3,095,783</u>	<u>3,095,783</u>
Expenditures			
Capital outlay	66,489,904	57,950,643	8,539,261
Debt service:			
Principal retirement	1,674,349	1,674,349	
Interest and fiscal charges	675,286	675,286	
Bond issuance costs	<u>1,160,461</u>	<u>1,160,461</u>	
Total expenditures	<u>70,000,000</u>	<u>61,460,739</u>	<u>8,539,261</u>
Excess (deficiency) of revenues over expenditures	<u>(70,000,000)</u>	<u>(58,364,956)</u>	<u>11,635,044</u>
Other financing sources (uses)			
Transfers out		(3,095,195)	(3,095,195)
Issuance of school improvement bonds		115,650,000	115,650,000
Premium on sale of bonds		<u>10,409,561</u>	<u>10,409,561</u>
Total other financing sources (uses)		<u>122,964,366</u>	<u>122,964,366</u>
Changes in fund balances	<u>(70,000,000)</u>	<u>64,599,410</u>	<u>134,599,410</u>
Fund balances, beginning of year		<u>99,328,982</u>	<u>99,328,982</u>
Fund balances, end of year	<u>\$ (70,000,000)</u>	<u>\$ 163,928,392</u>	<u>\$ 233,928,392</u>

Tolleson Union High School District No. 214
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Other Capital Projects
For the Year Ended June 30, 2025

	<u>Budget</u>		
	<u>Original and Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Other local	\$	\$ 17,090	\$ 17,090
State aid and grants		192,821	192,821
Total revenues		209,911	209,911
Expenditures			
Capital outlay	1,402,000	101,309	1,300,691
Total expenditures	1,402,000	101,309	1,300,691
Excess (deficiency) of revenues over expenditures	(1,402,000)	108,602	1,510,602
Other financing sources (uses)			
Transfers in		1,788,731	1,788,731
Total other financing sources (uses)		1,788,731	1,788,731
Changes in fund balances	(1,402,000)	1,897,333	3,299,333
Fund balances, beginning of year		354,551	354,551
Fund balances, end of year	\$ (1,402,000)	\$ 2,251,884	\$ 3,653,884

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Statistical Section

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

Tolleson Union High School District No. 214
Net Position by Component
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Net Position:					
Net investment in capital assets	\$ 255,156,782	\$ 221,315,210	\$ 223,393,384	\$ 218,659,130	\$ 218,219,877
Restricted	68,538,914	57,840,505	60,174,961	61,064,780	43,363,584
Unrestricted	24,663,250	62,364,589	42,721,680	23,901,938	17,712,956
Total net position	<u>\$ 348,358,946</u>	<u>\$ 341,520,304</u>	<u>\$ 326,290,025</u>	<u>\$ 303,625,848</u>	<u>\$ 279,296,417</u>
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Net Position:					
Net investment in capital assets	\$ 209,078,664	\$ 192,771,578	\$ 170,047,381	\$ 170,727,224	\$ 165,609,147
Restricted	46,929,158	27,880,203	16,203,467	21,217,499	25,057,598
Unrestricted	10,258,317	5,674,562	(6,976,838)	(22,310,092)	(27,220,998)
Total net position	<u>\$ 266,266,139</u>	<u>\$ 226,326,343</u>	<u>\$ 179,274,010</u>	<u>\$ 169,634,631</u>	<u>\$ 163,445,747</u>

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

Tolleson Union High School District No. 214
Expenses, Program Revenues, and Net (Expense)/Revenue
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Expenses					
Instruction	\$ 106,467,717	\$ 100,809,842	\$ 89,727,941	\$ 82,427,238	\$ 70,664,181
Support services - students and staff	26,617,286	25,657,643	22,915,341	20,239,897	17,717,006
Support services - administration	24,571,056	25,130,466	21,223,131	18,392,229	16,164,710
Operation and maintenance of plant services	31,565,413	28,016,704	26,032,125	21,779,098	18,818,014
Student transportation services	11,572,976	11,652,885	11,929,147	9,954,163	6,751,198
Operation of non-instructional services	8,743,483	8,837,313	7,394,113	7,156,696	4,690,460
Interest on long-term debt	9,965,505	10,582,547	8,613,699	7,444,421	6,344,365
Total expenses	<u>219,503,436</u>	<u>210,687,400</u>	<u>187,835,497</u>	<u>167,393,742</u>	<u>141,149,934</u>
Program Revenues					
Charges for services:					
Instruction	6,334,239	4,576,323	2,398,192	989,834	2,151,613
Operation of non-instructional services	950,300	2,291,852	2,302,861	1,079,887	205,279
Other activities	1,226,145		1,617,386	2,593,353	214,013
Operating grants and contributions	17,727,020	18,775,922	19,418,116	30,849,145	21,417,004
Capital grants and contributions	780,506	2,084,370	947,939	6,813,367	1,240,696
Total program revenues	<u>27,018,210</u>	<u>27,728,467</u>	<u>26,684,494</u>	<u>42,325,586</u>	<u>25,228,605</u>
Net (Expense)/Revenue	<u>\$ (192,485,226)</u>	<u>\$ (182,958,933)</u>	<u>\$ (161,151,003)</u>	<u>\$ (125,068,156)</u>	<u>\$ (115,921,329)</u>

(Continued)

Tolleson Union High School District No. 214
Expenses, Program Revenues, and Net (Expense)/Revenue
Last Ten Fiscal Years
(Accrual basis of accounting)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Expenses					
Instruction	\$ 64,491,764	\$ 54,275,038	\$ 50,205,815	\$ 47,694,713	\$ 45,778,279
Support services - students and staff	14,396,181	11,105,718	10,262,160	10,452,356	9,246,300
Support services - administration	14,904,939	12,461,602	11,051,706	9,477,013	8,859,722
Operation and maintenance of plant services	16,284,889	14,270,565	13,211,101	12,688,188	10,762,379
Student transportation services	8,296,857	7,109,361	6,368,324	4,791,320	4,565,677
Operation of non-instructional services	6,258,423	6,267,626	5,932,208	5,810,787	5,333,271
Interest on long-term debt	5,237,513	3,719,903	1,582,037	1,016,924	1,247,057
Total expenses	<u>129,870,566</u>	<u>109,209,813</u>	<u>98,613,351</u>	<u>91,931,301</u>	<u>85,792,685</u>
Program Revenues					
Charges for services:					
Instruction	3,546,896	2,740,659	2,746,158	2,654,898	2,514,310
Operation of non-instructional services	1,627,529	1,676,577	1,545,714	1,484,782	1,614,587
Other activities	137,951	147,546	118,371	178,469	75,524
Operating grants and contributions	10,034,145	9,966,531	9,437,555	9,087,941	8,507,803
Capital grants and contributions	24,869,291	33,081,603	2,104,997	1,535,155	1,433,382
Total program revenues	<u>40,215,812</u>	<u>47,612,916</u>	<u>15,952,795</u>	<u>14,941,245</u>	<u>14,145,606</u>
Net (Expense)/Revenue	<u>\$ (89,654,754)</u>	<u>\$ (61,596,897)</u>	<u>\$ (82,660,556)</u>	<u>\$ (76,990,056)</u>	<u>\$ (71,647,079)</u>

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

(Concluded)

Tolleson Union High School District No. 214
General Revenues and Total Changes in Net Position
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Net (Expense)/Revenue	\$ (192,485,226)	\$ (182,958,933)	\$ (161,151,003)	\$ (125,068,156)	\$ (115,921,329)
General Revenues:					
Property taxes	86,128,102	89,663,355	86,082,969	68,088,994	61,394,107
Investment income	9,073,664	7,186,808	3,920,499	1,392,342	1,440,430
Unrestricted county aid				5,817,521	5,376,399
Unrestricted state aid	103,185,176	100,527,685	93,484,465	73,785,818	60,740,671
Unrestricted federal aid	936,926	811,364	327,247	312,912	
Total general revenues	<u>199,323,868</u>	<u>198,189,212</u>	<u>183,815,180</u>	<u>149,397,587</u>	<u>128,951,607</u>
Changes in Net Position	<u>\$ 6,838,642</u>	<u>\$ 15,230,279</u>	<u>\$ 22,664,177</u>	<u>\$ 24,329,431</u>	<u>\$ 13,030,278</u>

(Continued)

Tolleson Union High School District No. 214
General Revenues and Total Changes in Net Position
Last Ten Fiscal Years
(Accrual basis of accounting)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Net (Expense)/Revenue	\$ (89,654,754)	\$ (61,596,897)	\$ (82,660,556)	\$ (76,990,056)	\$ (71,647,079)
General Revenues:					
Property taxes	60,279,568	49,417,047	40,526,143	33,869,806	35,842,069
Investment income	2,463,243	2,232,694	798,213	322,064	276,012
Unrestricted county aid	4,956,891	4,017,915	4,340,347	3,915,456	3,592,379
Unrestricted state aid	60,764,557	52,981,574	46,622,917	45,071,614	42,025,222
Total general revenues	<u>128,464,259</u>	<u>108,649,230</u>	<u>92,287,620</u>	<u>83,178,940</u>	<u>81,735,682</u>
Changes in Net Position	<u>\$ 38,809,505</u>	<u>\$ 47,052,333</u>	<u>\$ 9,627,064</u>	<u>\$ 6,188,884</u>	<u>\$ 10,088,603</u>

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

Note: Due to a change in legislation, beginning with fiscal year 2023, unrestricted county aid is now presented with property taxes.

(Concluded)

Tolleson Union High School District No. 214
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
General Fund:					
Restricted	\$ 11,036,094	\$ 4,951,840	\$ 6,251,799	\$ -	\$ -
Unassigned	87,546,073	130,062,079	105,460,556	87,335,179	77,794,750
Total General Fund	<u>\$ 98,582,167</u>	<u>\$ 135,013,919</u>	<u>\$ 111,712,355</u>	<u>\$ 87,335,179</u>	<u>\$ 77,794,750</u>
All Other Governmental Funds:					
Restricted	\$ 222,256,008	\$ 148,794,958	\$ 95,894,834	\$ 80,562,611	\$ 67,107,295
Unassigned		(161,365)	(854,076)	(6,673,376)	(3,451,138)
Total all other governmental funds	<u>\$ 222,256,008</u>	<u>\$ 148,633,593</u>	<u>\$ 95,040,758</u>	<u>\$ 73,889,235</u>	<u>\$ 63,656,157</u>

(Continued)

Tolleson Union High School District No. 214
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
General Fund:					
Nondisposable	\$ 1,054,297	\$	\$	\$ 748,155	\$ 1,660,000
Unassigned	67,300,559	59,294,009	48,005,537	33,904,172	29,547,025
Total General Fund	<u>\$ 68,354,856</u>	<u>\$ 59,294,009</u>	<u>\$ 48,005,537</u>	<u>\$ 34,652,327</u>	<u>\$ 31,207,025</u>
All Other Governmental Funds:					
Restricted	\$ 116,327,581	\$ 58,078,519	\$ 72,759,477	\$ 20,656,086	\$ 23,535,382
Unassigned	(2,772,014)	(1,484,809)	(319,905)	(83,787)	(62,372)
Total all other governmental funds	<u>\$ 113,555,567</u>	<u>\$ 56,593,710</u>	<u>\$ 72,439,572</u>	<u>\$ 20,572,299</u>	<u>\$ 23,473,010</u>

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

(Concluded)

Tolleson Union High School District No. 214
Governmental Funds Revenues
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Federal sources:					
Federal grants	\$ 12,928,856	\$ 14,593,385	\$ 18,849,390	\$ 17,386,634	\$ 12,812,755
National School Lunch Program	7,225,690	5,490,424	4,124,509	6,948,374	5,634,519
Total federal sources	<u>20,154,546</u>	<u>20,083,809</u>	<u>22,973,899</u>	<u>24,335,008</u>	<u>18,447,274</u>
State sources:					
State equalization assistance	87,386,170	86,269,525	79,140,422	60,913,517	53,098,337
State grants	1,123,136	1,342,723	996,621	797,353	848,697
School Facilities Oversight Board	192,821	868,300	389,291	4,648,789	437,157
Other revenues	<u>15,981,824</u>	<u>14,258,160</u>	<u>14,344,043</u>	<u>12,872,301</u>	<u>7,647,181</u>
Total state sources	<u>104,683,951</u>	<u>102,738,708</u>	<u>94,870,377</u>	<u>79,231,960</u>	<u>62,031,372</u>
Local sources:					
Property taxes	86,528,273	90,541,642	85,060,507	68,220,343	61,628,864
County aid				5,817,521	5,376,399
Food service sales	899,090	1,847,688	1,942,717	826,543	105,050
Investment income	8,956,317	7,060,663	3,961,405	1,392,342	1,440,430
Other revenues	<u>7,856,627</u>	<u>5,418,293</u>	<u>4,676,469</u>	<u>5,514,549</u>	<u>2,741,441</u>
Total local sources	<u>104,240,307</u>	<u>104,868,286</u>	<u>95,641,098</u>	<u>81,771,298</u>	<u>71,292,184</u>
Total revenues	<u><u>\$ 229,078,804</u></u>	<u><u>\$ 227,690,803</u></u>	<u><u>\$ 213,485,374</u></u>	<u><u>\$ 185,338,266</u></u>	<u><u>\$ 151,770,830</u></u>

(Continued)

Tolleson Union High School District No. 214
Governmental Funds Revenues
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Federal sources:					
Federal grants	\$ 6,278,698	\$ 4,524,619	\$ 4,885,272	\$ 5,333,433	\$ 5,503,600
National School Lunch Program	3,977,464	4,065,185	4,064,153	4,015,599	3,706,666
Total federal sources	<u>10,256,162</u>	<u>8,589,804</u>	<u>8,949,425</u>	<u>9,349,032</u>	<u>9,210,266</u>
State sources:					
State equalization assistance	53,330,266	45,757,364	40,230,491	39,633,152	36,568,546
State grants	920,365	530,946	606,120	521,785	498,197
School Facilities Oversight Board	24,208,593	32,534,285	1,453,941	598,339	108,917
Other revenues	7,434,291	7,224,210	6,392,426	5,438,462	5,456,676
Total state sources	<u>85,893,515</u>	<u>86,046,805</u>	<u>48,682,978</u>	<u>46,191,738</u>	<u>42,632,336</u>
Local sources:					
Property taxes	60,777,125	49,617,133	40,564,761	33,962,167	36,597,843
County aid	4,956,891	4,017,915	4,340,347	3,915,456	3,592,379
Food service sales	1,477,149	1,403,437	1,273,893	1,254,059	1,242,748
Investment income	2,463,243	2,232,697	798,213	322,064	276,012
Other revenues	3,804,709	3,185,061	3,349,511	3,218,030	3,085,478
Total local sources	<u>73,479,117</u>	<u>60,456,243</u>	<u>50,326,725</u>	<u>42,671,776</u>	<u>44,794,460</u>
Total revenues	<u>\$ 169,628,794</u>	<u>\$ 155,092,852</u>	<u>\$ 107,959,128</u>	<u>\$ 98,212,546</u>	<u>\$ 96,637,062</u>

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

Note: Due to a change in legislation, beginning with fiscal year 2023, county aid is now presented with property taxes.

(Concluded)

Tolleson Union High School District No. 214
Governmental Funds Expenditures and Debt Service Ratio
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Expenditures:					
Current -					
Instruction	\$ 94,596,353	\$ 83,471,990	\$ 74,177,806	\$ 66,977,373	\$ 59,087,078
Support services - students and staff	25,648,620	23,471,113	20,867,663	18,609,734	16,205,374
Support services - administration	20,876,830	19,682,100	17,115,217	14,804,233	13,437,212
Operation and maintenance of plant services	20,293,600	18,042,863	16,785,575	13,910,753	11,540,209
Student transportation services	8,662,810	7,536,764	8,300,761	6,161,230	4,389,831
Operation of non-instructional services	8,211,158	7,957,795	6,536,570	6,222,089	4,136,686
Capital outlay	78,148,510	42,926,975	30,978,982	84,047,341	52,334,806
Debt service -					
Principal retirement	23,334,349	32,798,466	26,358,103	16,678,970	22,566,091
Interest, premium and fiscal charges	12,294,610	12,475,489	10,244,131	8,606,531	7,506,475
Bond issuance costs	1,160,461	803,405	451,963	712,849	
Total expenditures	<u>\$ 293,227,301</u>	<u>\$ 249,166,960</u>	<u>\$ 211,816,771</u>	<u>\$ 236,731,103</u>	<u>\$ 191,203,762</u>
 Expenditures for capitalized assets	 \$ 74,440,187	 \$ 32,903,057	 \$ 22,003,999	 \$ 72,245,051	 \$ 47,774,899
 Debt service as a percentage of noncapital expenditures	 16%	 21%	 19%	 15%	 21%

(Continued)

Tolleson Union High School District No. 214
Governmental Funds Expenditures and Debt Service Ratio
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Expenditures:					
Current -					
Instruction	\$ 51,871,183	\$ 47,342,147	\$ 42,001,067	\$ 39,351,288	\$ 37,056,162
Support services - students and staff	13,102,128	10,963,761	9,874,159	9,560,384	7,994,625
Support services - administration	11,454,360	9,921,579	8,921,716	7,862,875	7,306,139
Operation and maintenance of plant services	12,009,243	9,668,380	8,457,067	9,583,074	7,011,312
Student transportation services	5,072,945	4,480,282	4,372,835	3,518,782	3,124,196
Operation of non-instructional services	5,469,284	5,639,501	5,405,059	5,360,454	4,848,806
Capital outlay	64,445,448	127,034,916	17,747,577	13,009,753	16,216,117
Debt service -					
Principal retirement	11,307,085	7,365,232	8,581,223	7,492,576	7,289,068
Interest, premium and fiscal charges	6,399,623	4,022,854	1,582,037	1,016,924	1,247,057
Bond issuance costs	583,170	596,310	601,779		
Total expenditures	<u><u>\$ 181,714,469</u></u>	<u><u>\$ 227,034,962</u></u>	<u><u>\$ 107,544,519</u></u>	<u><u>\$ 96,756,110</u></u>	<u><u>\$ 92,093,482</u></u>
Expenditures for capitalized assets	\$ 54,699,283	\$ 117,333,763	\$ 11,389,550	\$ 8,172,372	\$ 9,891,119
Debt service as a percentage of noncapital expenditures	14%	11%	11%	10%	10%

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

(Concluded)

Tolleson Union High School District No. 214
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>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Excess (deficiency) of revenues over expenditures	\$ (64,148,497)	\$ (21,476,157)	\$ 1,668,603	\$ (50,679,988)	\$ (39,432,932)
Other financing sources (uses):					
General obligation bonds issued	115,650,000	76,550,000	39,710,000	60,730,000	
Premium on sale of bonds	10,409,561	6,978,605	2,887,613	9,366,449	
Financed purchase agreements		13,804,600	586,048		
Lease agreements		649,894	294,443		
Insurance recoveries				2,671	27,713
Proceeds from sale of capital assets	279,599	387,457	381,992	1,067,224	
Transfers in	5,203,589	2,759,309	1,386,268	5,342,216	1,198,546
Transfers out	(5,203,589)	(2,759,309)	(1,386,268)	(5,342,216)	(1,198,546)
Total other financing sources (uses)	<u>126,339,160</u>	<u>98,370,556</u>	<u>43,860,096</u>	<u>71,166,344</u>	<u>27,713</u>
Special item - lease-leaseback agreement	(25,000,000)				
Changes in fund balances	<u>\$ 37,190,663</u>	<u>\$ 76,894,399</u>	<u>\$ 45,528,699</u>	<u>\$ 20,486,356</u>	<u>\$ (39,405,219)</u>
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Excess (deficiency) of revenues over expenditures	\$ (12,085,675)	\$ (71,942,110)	\$ 414,609	\$ 1,456,436	\$ 4,543,580
Other financing sources (uses):					
General obligation bonds issued	56,630,000	58,475,000	59,495,000		
Premium on sale of bonds	8,896,994	8,286,178	6,059,029		
Capital lease agreements	419,580	419,066			
Insurance recoveries	131,746	132,512			
Proceeds from sale of capital assets	67,189	71,964			
Transfers in	6,012,663	7,200,903	672,139	581,840	598,378
Transfers out	(6,012,663)	(7,200,903)	(672,139)	(581,840)	(598,378)
Total other financing sources (uses)	<u>66,145,509</u>	<u>67,384,720</u>	<u>65,554,029</u>		
Changes in fund balances	<u>\$ 54,059,834</u>	<u>\$ (4,557,390)</u>	<u>\$ 65,968,638</u>	<u>\$ 1,456,436</u>	<u>\$ 4,543,580</u>

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

Tolleson Union High School District No. 214
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>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Commercial, Industrial, Utilities and Mining	\$ 984,652,395	\$ 905,468,381	\$ 860,187,996	\$ 800,066,951	\$ 730,284,036
Agricultural and Vacant	52,860,302	52,571,818	52,707,759	51,497,265	48,475,631
Residential (Owner Occupied)	523,527,440	469,758,371	436,781,855	396,760,043	363,621,473
Residential (Rental)	358,920,669	305,791,614	250,701,708	218,909,578	204,748,135
Railroad, Private Cars and Airlines	3,378,664	3,359,422	3,200,056	2,384,730	2,291,451
Historical Property	4,899,198	4,285,672	3,744,541	2,090,119	2,240,869
Certain Government Property Improvements	22,206	2	26,616	10,114	9,633
Total	<u>\$ 1,928,260,874</u>	<u>\$ 1,741,235,280</u>	<u>\$ 1,607,350,531</u>	<u>\$ 1,471,718,800</u>	<u>\$ 1,351,671,228</u>
Gross Full Cash Value	\$ 40,018,055,591	\$ 31,265,978,580	\$ 24,199,993,731	\$ 22,217,558,389	\$ 20,642,357,279
Ratio of Net Limited Assessed Value to Gross Full Cash Value	5%	6%	7%	7%	7%
Total Direct Rate	4.70	5.31	5.41	4.73	4.71

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Commercial, Industrial, Utilities and Mining	\$ 675,769,361	\$ 608,769,076	\$ 563,822,625	\$ 516,463,907	\$ 484,493,581
Agricultural and Vacant	42,656,077	41,343,773	44,899,707	44,203,055	48,062,173
Residential (Owner Occupied)	334,633,099	307,615,256	280,465,176	258,255,089	241,110,983
Residential (Rental)	190,970,604	172,474,225	169,023,619	161,868,913	156,669,693
Railroad, Private Cars and Airlines	2,357,042	2,334,686	2,504,203	2,288,551	2,508,708
Historical Property	3,478,925	2,352,270	2,970,250	4,442,302	4,797,525
Certain Government Property Improvements	9,174	42,205	8,321	7,925	7,547
Total	<u>\$ 1,249,874,282</u>	<u>\$ 1,134,931,491</u>	<u>\$ 1,063,693,901</u>	<u>\$ 987,529,742</u>	<u>\$ 937,650,210</u>
Gross Full Cash Value	\$ 18,531,214,157	\$ 16,518,329,006	\$ 15,334,987,531	\$ 14,076,758,717	\$ 12,543,274,432
Ratio of Net Limited Assessed Value to Gross Full Cash Value	7%	7%	7%	7%	7%
Total Direct Rate	4.71	4.45	3.94	3.56	4.01

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

Tolleson Union High School District No. 214
Net Full Cash Assessed Value of Taxable Property by Class
Last Ten Fiscal Years

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Commercial, Industrial, Utilities and Mining	\$ 1,765,309,150	\$ 1,458,653,111	\$ 1,205,601,185	\$ 1,169,384,934	\$ 1,050,740,193
Agricultural and Vacant	130,726,171	111,386,159	96,907,621	93,162,648	85,994,677
Residential (Owner Occupied)	1,328,325,542	1,033,728,703	772,468,071	696,163,286	623,074,972
Residential (Rental)	941,409,474	679,425,434	466,236,403	397,023,313	353,248,037
Railroad, Private Cars and Airlines	4,940,716	4,342,221	4,231,239	3,107,257	2,914,163
Historical Property	8,650,442	7,381,610	5,326,452	3,632,355	3,657,760
Certain Government Property Improvements	39,349	2	30,487	14,262	14,603
Total	<u>\$ 4,179,400,844</u>	<u>\$ 3,294,917,240</u>	<u>\$ 2,550,801,458</u>	<u>\$ 2,362,488,055</u>	<u>\$ 2,119,644,405</u>
Gross Full Cash Value	\$ 40,018,055,591	\$ 31,265,978,580	\$ 24,199,993,731	\$ 22,217,558,389	\$ 20,642,357,279
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10%	11%	11%	11%	10%
Estimated Net Full Cash Value	\$ 33,359,219,959	\$ 25,785,545,007	\$ 19,414,464,693	\$ 17,592,510,180	\$ 15,716,013,411
Total Direct Rate	4.70	5.31	5.41	4.73	4.71

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Commercial, Industrial, Utilities and Mining	\$ 954,770,468	\$ 827,346,069	\$ 789,065,560	\$ 692,205,775	\$ 565,912,558
Agricultural and Vacant	70,912,787	64,960,636	68,117,265	63,408,363	59,151,689
Residential (Owner Occupied)	540,218,961	494,148,021	420,995,658	377,706,633	344,068,971
Residential (Rental)	310,256,152	278,622,805	254,434,014	230,016,807	214,986,853
Railroad, Private Cars and Airlines	2,924,467	2,825,622	2,927,770	2,453,179	2,557,608
Historical Property	4,854,317	3,419,770	4,007,123	8,951,638	10,477,450
Certain Government Property Improvements	13,890	66,360	13,466	12,414	8,593
Total	<u>\$ 1,883,951,042</u>	<u>\$ 1,671,389,283</u>	<u>\$ 1,539,560,856</u>	<u>\$ 1,374,754,809</u>	<u>\$ 1,197,163,722</u>
Gross Full Cash Value	\$ 18,531,214,157	\$ 16,518,329,006	\$ 15,334,987,531	\$ 14,076,758,717	\$ 12,543,274,432
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10%	10%	10%	10%	10%
Estimated Net Full Cash Value	\$ 13,901,742,633	\$ 12,387,143,149	\$ 11,280,256,255	\$ 10,066,291,391	\$ 8,599,153,102
Total Direct Rate	4.71	4.45	3.94	3.56	4.01

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

Tolleson Union High School District No. 214
Property Tax Assessment Ratios
Last Ten Fiscal Years

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Commercial, Industrial, Utilities and Mining	17 %	17 %	18 %	18 %	18 %
Agricultural and Vacant	15	15	15	15	15
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	14	14	15	15	15

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Commercial, Industrial, Utilities and Mining	18 %	18 %	18 %	18 %	19 %
Agricultural and Vacant	15	15	15	15	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	15	14	15	14	15

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.

Tolleson Union High School District No. 214
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Fiscal Year Ended June 30	Overlapping Rates											District Direct Rates		
	State		Flood	Community	Central					Elementary	Western			
	Equilization	County	Control District	College District	Arizona Water	City of Phoenix	City of Tolleson	City of Avondale	City of Glendale	School Districts	Maricopa Education District	Primary	Secondary	Total
2025		1.16	0.15	1.10	0.14	2.08	2.68	1.46	1.93	21.52	0.18	1.89	2.81	4.70
2024		1.20	0.15	1.14	0.14	2.10	1.55	1.46	1.56	22.26	0.18	1.69	3.63	5.31
2023		1.25	0.16	1.19	0.14	2.11	2.68	1.55	1.67	23.06	0.15	1.77	3.64	5.41
2022	0.43	1.35	0.18	1.23	0.14	2.12	2.75	1.42	1.73	22.98	0.16	2.00	2.74	4.73
2021	0.44	1.40	0.18	1.29	0.14	2.13	3.53	1.42	1.80	24.06	0.17	2.10	2.60	4.71
2020	0.44	1.40	0.18	1.29	0.14	2.13	3.53	1.42	1.80	24.06	0.17	2.10	2.60	4.71
2019	0.47	1.40	0.18	1.38	0.14	2.14	3.83	1.76	1.98	25.66	0.15	2.67	1.78	4.45
2018	0.49	1.40	0.18	1.41	0.14	2.16	3.99	1.60	2.08	26.06	0.18	2.16	1.77	3.94
2017	0.50	1.40	0.18	1.47	0.14	2.17	3.97	1.70	2.15	28.07	0.08	2.27	1.29	3.56
2016	0.51	1.36	0.16	1.49	0.14	1.82	3.97	1.75	2.20	26.48	0.07	2.40	1.61	4.01

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

Tolleson Union High School District No. 214
Principal Property Taxpayers
Current Fiscal Year and Fiscal Year Nine Years Prior

Taxpayer	2025		2016	
	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
Salt River Project (T&D)	\$ 35,873,792	1.86 %		
Liberty Property LP	20,285,346	1.05		
Target Corporation	16,287,860	0.84	\$ 11,064,272	0.92 %
Smiths Food & Drug Center Inc.	14,126,413	0.73	9,845,327	0.82
YAM Westgate LLC	13,057,172	0.68		
CLNC NNN Alberts AZ LLC	12,999,223	0.67		
Tolleson Owner LLC	12,398,423	0.64		
FR Cal 3 Tolleson Buckeye LLC	12,072,005	0.63		
Winco Foods LLC	11,984,432	0.62		
Bre Jupiter Agave DC LLC	10,778,962	0.56		
Falcon Inc.			8,907,677	0.74
Entertainment Center Development			8,438,852	0.70
LBA Realty LLC			7,501,202	0.63
Swift Transportation Co Inc.			6,563,551	0.55
Svc Manufacturing Inc.			6,469,786	0.54
JQH Glendale Development			5,532,136	0.46
Coyote Center Development LLC			4,594,486	0.38
Phoenix Speedway Corp.			4,500,721	0.38
Total	<u>\$ 159,863,627</u>	<u>8.29 %</u>	<u>\$ 73,418,010</u>	<u>6.12 %</u>

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

Tolleson Union High School District No. 214
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
2025	\$ 89,553,662	\$ 87,690,131	97.92 %	\$	\$ 87,690,131	97.92 %
2024	92,915,385	90,234,233	97.11	2,657,977	92,892,210	99.98
2023	87,549,174	85,281,857	97.41	2,208,618	87,490,475	99.93
2022	70,000,820	68,088,034	97.27	1,900,537	69,988,571	99.98
2021	63,677,925	61,503,235	96.58	2,166,209	63,669,444	99.99
2020	62,912,794	60,968,130	96.91	1,932,727	62,900,857	99.98
2019	50,921,187	49,113,887	96.45	1,800,766	50,914,653	99.99
2018	41,975,213	40,579,571	96.68	1,393,541	41,973,112	99.99
2017	35,462,200	34,125,355	96.23	1,335,603	35,460,958	100.00
2016	37,737,524	37,132,841	98.40	603,379	37,736,220	100.00

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

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

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

Tolleson Union High School District No. 214
Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds						Total Outstanding Debt										
	General Obligation Bonds		Less: Amounts Restricted for Principal	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Financed Purchases and Leases	Percentage of Estimated Actual Value (Full Cash Value)		Per Capita	Percentage of Personal Income						
2025	\$	417,287,669	\$	5,051,734	\$	412,235,935	1.03 %	\$	1,990	\$	13,164,057	\$	430,451,726	1.08 %	\$	2,078	0.14 %
2024		326,012,213		4,691,190		321,321,023	1.03		1,563		14,838,406		340,850,619	1.09		1,658	0.12
2023		270,506,550		6,801,146		263,705,404	1.09		1,298		727,378		271,233,928	1.12		1,335	0.10
2022		246,134,369		5,819,834		240,314,535	1.08		1,216		74,990		246,209,359	1.11		1,246	0.10
2021		190,430,030		4,645,469		185,784,561	0.90		960		158,960		190,588,990	0.92		984	0.09
2020		201,867,140		8,568,275		193,298,865	1.04		1,015		9,495,051		211,362,191	1.14		1,110	0.10
2019		144,727,256		6,977,772		137,749,484	0.83		741		329,274		145,056,530	0.88		780	0.07
2018		86,754,029		600,878		86,153,151	0.56		299		50,440		86,804,469	0.57		301	0.05
2017		28,600,000		449,986		28,150,014	0.20		147		146,663		28,746,663	0.20		150	0.02
2016		35,800,000		421,658		35,378,342	0.28		207		239,239		36,039,239	0.29		211	0.02

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

Note: The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 87 were adopted in fiscal year 2022. The standard replaced the previous capital and operating lease designations with financed purchases or leases depending on the substance of the transactions. The fiscal year 2016-2021 information within this column related to the transactions previously designated as capital leases.

Tolleson Union High School District No. 214
Direct and Overlapping Governmental Activities Debt
June 30, 2025

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable to School District	Estimated Amount Applicable to School District
Overlapping:			
Maricopa County Community College District	\$ 87,320,000	3.18	\$ 2,776,776
Marcopa County Special Health Care District	574,205,000	3.16	18,144,878
City of Avondale	67,194,737	69.74	46,861,610
City of Glendale	896,195,000	7.56	67,752,342
City of Phoenix	6,464,480,388	5.21	336,799,428
City of Tolleson	18,683,600	100.00	18,683,600
Tolleson Elementary School District No. 17	35,015,000	100.00	35,015,000
Fowler Elementary School District No. 45	5,800,000	100.00	5,800,000
Union Elementary School District No. 62	14,508,000	100.00	14,508,000
Littleton Elementary School District No. 65	43,490,084	100.00	43,490,084
Pendergast Elementary School District No. 92	82,385,336	100.00	82,385,336
Western Maricopa Education Center District	98,510,000	8.39	4,704,693
Subtotal, Overlapping Debt			<u>676,921,747</u>
Direct:			
Tolleson Union High School District No. 214	272,199,600	100.00	<u>430,451,726</u>
Total Direct and Overlapping Governmental Activities Debt			<u><u>\$ 1,107,373,473</u></u>

Direct and Overlapping General Bonded Debt Ratios

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation	21.38	%
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 5,258	
As a Percentage of Net Limited Assessed Valuation	56.48	%
As a Percentage of Gross Full Value	2.72	%

Source: The source of this information is the FY 2024 Report of Outstanding Indebtedness.

- Notes:** 1) Estimated percentage of debt outstanding applicable to the District is calculated based on the District's secondary assessed valuation as a percentage of the secondary assessed valuation of the overlapping jurisdiction.
2) Outstanding debt as of June 30, 2024 is presented for the overlapping governments as this is the most recent available information.

Tolleson Union High School District No. 214
Legal Debt Margin Information
Last Ten Fiscal Years

Class B Bond Legal Debt Margin Calculation for Fiscal Year 2025:

Net full cash assessed valuation	\$ 4,179,400,844
Debt limit (10% of assessed value)	417,940,084
Debt applicable to limit	400,554,938
Legal debt margin	<u>\$ 17,385,146</u>

Total Legal Debt Margin Calculation for Fiscal Year 2025:

Net full cash assessed valuation	\$ 4,179,400,844
Debt limit (15% of assessed value)	626,910,127
Debt applicable to limit	400,554,938
Legal debt margin	<u>\$ 226,355,189</u>

	Fiscal Year Ended June 30				
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Debt Limit	\$ 626,910,127	\$ 494,237,586	\$ 382,620,219	\$ 354,373,208	\$ 317,946,661
Total net debt applicable to limit	<u>400,554,938</u>	<u>310,000,244</u>	<u>255,075,349</u>	<u>230,292,382</u>	<u>179,425,039</u>
Legal debt margin	<u>\$ 226,355,189</u>	<u>\$ 184,237,342</u>	<u>\$ 127,544,870</u>	<u>\$ 124,080,826</u>	<u>\$ 138,521,622</u>
Total net debt applicable to the limit as a percentage of debt limit	64%	63%	67%	65%	56%
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Debt Limit	\$ 282,592,656	\$ 250,708,392	\$ 230,934,128	\$ 206,213,221	\$ 179,574,558
Total net debt applicable to limit	<u>190,155,971</u>	<u>137,633,112</u>	<u>86,200,000</u>	<u>28,600,000</u>	<u>35,800,000</u>
Legal debt margin	<u>\$ 92,436,685</u>	<u>\$ 113,075,280</u>	<u>\$ 144,734,128</u>	<u>\$ 177,613,221</u>	<u>\$ 143,774,558</u>
Total net debt applicable to the limit as a percentage of debt limit	67%	55%	37%	14%	20%

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.

Tolleson Union High School District No. 214
County-Wide Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population	Personal Income (thousands)	Per Capita Income	Unemployment Rate	Estimated District Population
2024	4,726,247	\$ 312,350,417	\$ 68,111	3.2 %	207,136
2023	4,665,020	288,842,282	63,461	3.4	205,584
2022	4,586,431	268,713,717	59,759	3.3	203,103
2021	4,507,419	249,677,860	56,255	4.5	197,644
2020	4,439,220	222,943,072	49,704	6.6	193,601
2019	4,367,835	210,370,180	47,694	3.6	190,396
2018	4,294,460	196,286,191	45,573	4.1	185,916
2017	4,221,684	185,111,698	43,628	4.2	288,422
2016	4,137,076	175,437,829	42,092	4.5	191,981
2015	4,076,438	168,483,421	27,256	5.5	170,530

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 is the Arizona Office of Employment and Population Statistics.

Tolleson Union High School District No. 214
Principal Employers
Current Fiscal Year and Fiscal Year Nine Years Prior

Employer	2025		2016	
	Employees	Percentage of Total Employment	Employees	Percentage of Total Employment
State of Arizona	28,870	1.49	50,820	2.67
Banner Health	28,350	1.47 %	41,530	2.18 %
Amazon	25,570	1.32		
Wal-Mart Stores Inc.	18,050	0.93	32,370	1.70
Maricopa County	15,320	0.79	13,570	0.71
Fry's Food Stores	14,790	0.77	17,290	0.91
Intel Corp.	12,990	0.67	-	-
Wells Fargo Bank, N.A.	12,200	0.63	14,480	0.76
Maricopa County Community College District	11,670	0.60		
Arizona State University	10,970	0.57	12,680	0.67
City of Phoenix			14,590	0.77
Dignity Health			12,100	0.64
University of Arizona			11,440	0.60
Total	<u>178,780</u>	<u>9.24 %</u>	<u>220,870</u>	<u>11.61 %</u>
Total employment	<u>1,933,200</u>		<u>1,902,687</u>	

Source: The source of this county-wide information is Maricopa Association of Governments.

Note: The principal employers were not available for the District alone, therefore, the principal employers for Maricopa County are presented.

Tolleson Union High School District No. 214
Full-Time Equivalent District Employees by Type
Last Ten Fiscal Years

	Full-time Equivalent Employees as of June 30				
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Supervisory					
Superintendent	1	1	1	1	1
Assistant superintendents	1	2	2	2	2
Consultants/supervisors of instruction	40	27	27	24	10
Principals	10	9	9	8	8
Assistant principals	24	24	24	24	24
Total supervisory	<u>76</u>	<u>63</u>	<u>63</u>	<u>59</u>	<u>45</u>
Instruction					
Teachers	671	661	643	599	590
Other professionals (instructional)	27	23	23	24	25
Aides	113	97	94	68	76
Total instruction	<u>811</u>	<u>781</u>	<u>760</u>	<u>691</u>	<u>691</u>
Student Services					
Nurses	8	9	7	6	6
Counselors/Advisors	44	40	42	39	38
Librarians	13	6	6	7	7
Technicians	72	35	35	35	15
Total student services	<u>137</u>	<u>90</u>	<u>90</u>	<u>87</u>	<u>66</u>
Support and Administration					
Clerical workers	52	90	62	63	93
Maintenance workers	114	104	109	93	59
Bus Drivers	74	88	96	99	62
Food Service workers	80	63	68	70	74
Other classified	152	153	145	130	136
Total support and administration	<u>472</u>	<u>498</u>	<u>480</u>	<u>455</u>	<u>424</u>
Total	<u><u>1,496</u></u>	<u><u>1,432</u></u>	<u><u>1,393</u></u>	<u><u>1,292</u></u>	<u><u>1,226</u></u>

(Continued)

Tolleson Union High School District No. 214
Full-Time Equivalent District Employees by Type
Last Ten Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Supervisory					
Superintendent	1	1	1	1	1
Assistant superintendents	2	2	2	1	1
Consultants/supervisors of instruction	9	8	7	7	7
Principals	7	7	6	6	6
Assistant principals	24	22	15	15	15
Total supervisory	<u>43</u>	<u>40</u>	<u>31</u>	<u>30</u>	<u>30</u>
Instruction					
Teachers	652	556	521	500	508
Other professionals (instructional)	7	6	5	5	5
Aides	80	71	73	74	85
Total instruction	<u>739</u>	<u>633</u>	<u>599</u>	<u>579</u>	<u>598</u>
Student Services					
Nurses	6	6	5	5	5
Counselors/Advisors	37	35	30	30	33
Librarians	7	6	5	5	5
Technicians	6	6	5	5	5
Total student services	<u>56</u>	<u>53</u>	<u>45</u>	<u>45</u>	<u>48</u>
Support and Administration					
Clerical workers	83	81	86	86	83
Maintenance workers	42	42	40	40	41
Bus Drivers	73	56	46	47	57
Food Service workers	66	52	42	44	65
Other classified	115	110	66	65	67
Total support and administration	<u>379</u>	<u>341</u>	<u>280</u>	<u>282</u>	<u>313</u>
Total	<u><u>1,217</u></u>	<u><u>1,067</u></u>	<u><u>955</u></u>	<u><u>936</u></u>	<u><u>989</u></u>

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

(Concluded)

Tolleson Union High School District No. 214
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
2025	13,856	\$ 178,289,371	\$ 12,867	7.30 %	\$ 219,503,436	\$ 15,842	0.42 %	671	20.6	87.7 %
2024	13,356	160,162,625	11,992	13.60	210,687,400	15,775	14.39	781	17.1	70.0
2023	13,621	143,783,592	10,556	11.14	187,835,497	13,790	9.88	760	17.9	54.0
2022	13,338	126,685,412	9,498	5.76	167,393,742	12,550	7.71	691	19.3	44.1
2021	12,114	108,796,390	8,981	11.80	141,149,934	11,652	10.54	691	17.5	64.3
2020	12,321	98,979,143	8,033	6.60	129,870,566	10,541	12.72	739	16.7	64.3
2019	11,679	88,015,650	7,536	11.50	109,209,813	9,351	10.88	633	18.5	67.3
2018	11,693	79,031,903	6,759	1.22	98,613,351	8,434	3.36	599	19.5	67.9
2017	11,267	75,236,857	6,678	9.58	91,931,301	8,159	5.10	579	19.5	68.4
2016	11,051	67,341,240	6,094	(4.50)	85,792,685	7,763	4.81	598	18.5	69.0

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

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

Tolleson Union High School District No. 214
Capital Assets Information
Last Ten Fiscal Years

	Fiscal Year Ended June 30									
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<u>Schools</u>										
<u>High</u>										
Buildings	85	85	85	85	82	82	76	75	75	75
Square feet	1,664,533	1,664,533	1,664,533	1,664,533	1,593,231	1,593,231	1,318,231	1,310,221	1,310,221	1,310,221
Capacity	14,865	14,865	14,865	14,865	14,865	14,865	11,939	11,578	11,578	11,578
<u>Administrative</u>										
Buildings	3	3	3	3	3	3	3	3	3	3
Square feet	30,970	30,970	30,970	30,970	30,970	30,970	30,970	30,970	30,970	30,970
<u>Transportation</u>										
Garages	1	1	1	1	1	1	1	1	1	1
Buses	103	94	90	90	107	102	111	97	90	79
<u>Athletics</u>										
Football fields	6	6	6	6	6	6	5	5	5	5
Soccer fields	6	6	6	6	6	6	5	5	5	5
Running tracks	6	6	6	6	6	6	5	5	5	5
Baseball/softball	6	6	6	6	6	6	5	5	5	5
Swimming pools							1	1	1	1

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