
QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2018



EXCELLENCE THROUGH LEADERSHIP

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95

QUEEN CREEK, ARIZONA

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

Issued by:
Business and Finance Department

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95

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INTRODUCTORY SECTION

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EXCELLENCE THROUGH LEADERSHIP

Dr. Perry Berry, Superintendent
20217 E. Chandler Heights Road
Queen Creek, AZ 85142
480.987.5935

December 20, 2018

Citizens and Governing Board
Queen Creek Unified School District No. 95
20217 East Chandler Heights Road
Queen Creek, Arizona 85142

State law mandates that school districts required to undergo an annual single audit publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States by a certified public accounting firm licensed in the State of Arizona. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Queen Creek Unified School District No. 95 (District) for the fiscal year ended June 30, 2018.

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

The District's financial statements have been audited by Heinfeld, Meech & Co., P.C., a certified public accounting firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2018, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2018, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first component of the financial section of this report.

Excellence Through Leadership

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 Reporting Package.

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

PROFILE OF THE DISTRICT

The District is one of 58 public school districts located in Maricopa County, Arizona. It provides a program of public education from pre-kindergarten through grade twelve.

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 covers 44 square miles in the southeastern portion of Maricopa County, Arizona. The District overlaps the Town of Queen Creek and the City of Mesa, the principal communities of the District. The District consists of eight school sites: five elementary schools, two middle schools, one junior high, and one high school. The average age of school buildings is 14 years. The 2017-18 average daily membership was 6,902, an increase of nine percent over the previous school year. Projected enrollment for fiscal year 2018-19 is 7,696, an increase of 11.5 percent. During the fiscal year, the District constructed a new elementary school that will open for the 2018-19 school year. The District also began construction on a new high school that will open for the 2019-20 school year. The District employs (including contracted positions) 20 administrators, 365 certified classroom teachers, and 351 support personnel.

The District's tax base continues to have above-average income and housing values. Commercial and industrial building and residential building permits indicate continuing future growth and tax base stabilization.

The District and community have set an expectation of high standards for academic achievement and work ethic for the District's students and employees. Excellence is continuously reinforced as we prepare our students to develop their fullest potential academically, emotionally, and physically. Students, teachers, administrators, and parents all work together to maintain the high performance standards for which the District is recognized. On average, the District's students score above the state and national means on AIMS and AZ Merit Tests in reading, language, and math.

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

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

FACTORS AFFECTING FINANCIAL CONDITION

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

Local Economy. The Phoenix metropolitan area and the rest of Maricopa County was one of the fastest growing regional markets in the United States. However, the economy was hit hard by the recent recession.

A few of the major firms represented in the Phoenix metropolitan area include Honeywell International, Inc., Banner Health Systems, Wal-Mart Stores, Inc., Wells Fargo Company, and Bashas'. The principal economic activity of the Town of Queen Creek and the outlying portions of the Town is agriculture. Major employers within the District boundaries are TRW Vehicle Safety Systems, Inc., Wal-Mart Stores, Inc., and Target. In addition, the metropolitan area provides excellent educational and training opportunities through seven community colleges, four private colleges and graduate schools, and one state university.

Maricopa County is located in the south-central portion of Arizona and encompasses an area of approximately 9,226 square miles. Its boundaries encompass the cities of Phoenix, Scottsdale, Mesa, Tempe, Glendale, Chandler, and such towns as Gilbert, Paradise Valley and Fountain Hills. Maricopa County is currently the nation's fourth largest county in terms of population size and the 14th in land area. The County's 2016 population was estimated at 4,137,076 a modest increase from the prior year.

The District's financial condition reflects the local economy. The District's tax base is similar to the Phoenix Metro area where valuations have begun to increase once again. Developers recognize the southeastern portion of Maricopa County as the next potential growth area. Debt is moderate at about \$4,072 per capita. The Town of Queen Creek includes a large percentage of young professionals and families with a median household income of \$90,687.

Long-term Financial Planning. The District is utilizing a combination of voter approved bonds and overrides to prepare for additional population growth and movement by building, remodeling and equipping the elementary schools, middle school, junior high, and high school with the new technology.

AWARDS AND ACKNOWLEDGMENTS

Awards. The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2017. This was the 13th consecutive year that the District has received this award. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2017. In order to be awarded their certificates, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

These certificates are valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the programs' requirements and we are submitting it to ASBO and GFOA to determine its eligibility for the fiscal year ended June 30, 2018 certificates.

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

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

Respectfully submitted,



Dr. Perry Berry
Superintendent



Crystal Zachary
Chief Financial Officer



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Queen Creek Unified School District No. 95

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

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



A handwritten signature in black ink that reads 'Charles E. Peterson, Jr.' The signature is written in a cursive style and is positioned above a horizontal line.

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

A handwritten signature in black ink that reads 'John D. Musso'. The signature is written in a cursive style and is positioned above a horizontal line.

John D. Musso, CAE
Executive Director



Government Finance Officers Association

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

Presented to

**Queen Creek Unified School
District No. 95, Arizona**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

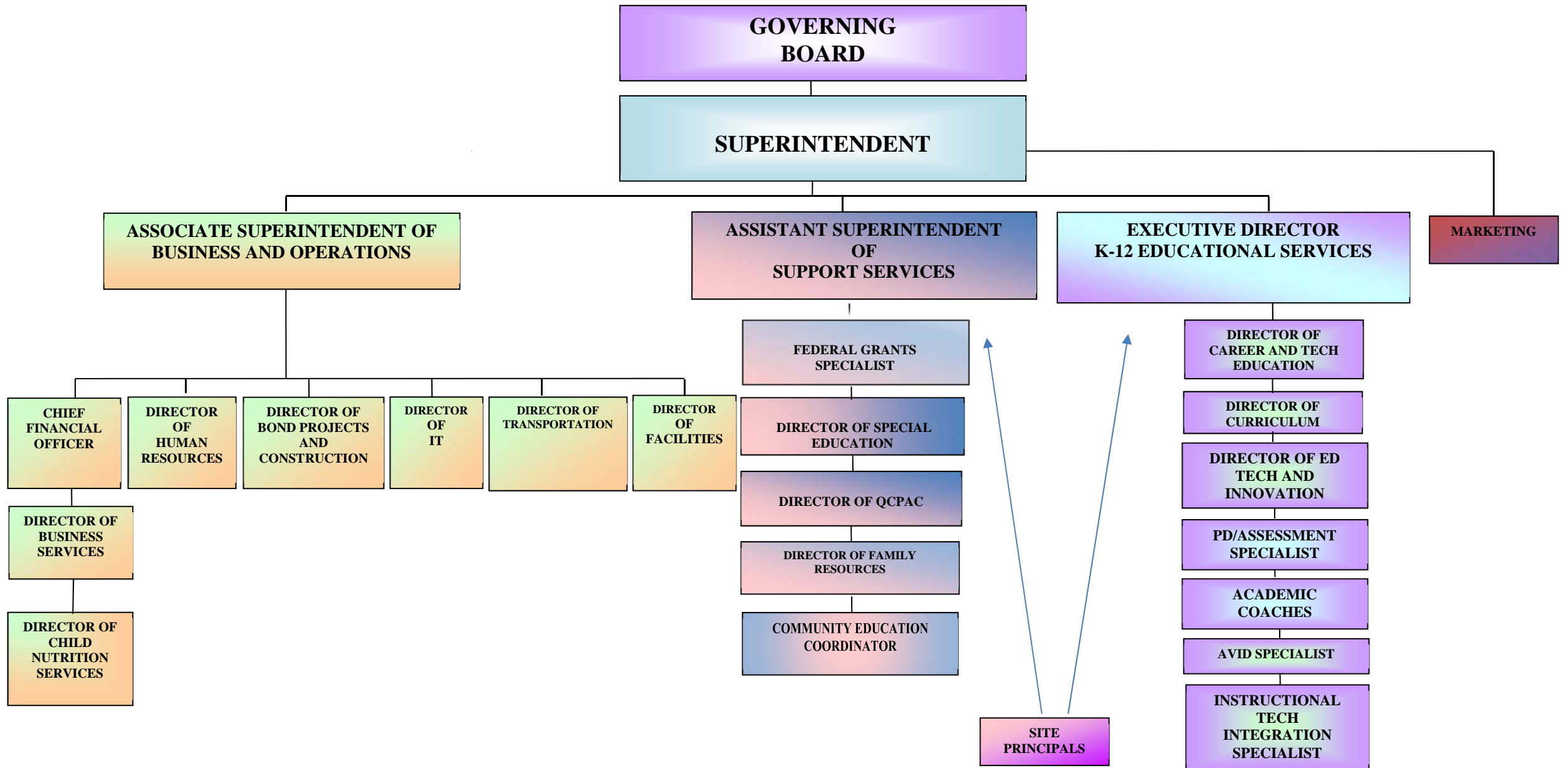
June 30, 2017

Christopher P. Morill

Executive Director/CEO

Queen Creek Unified School District #95

2017-2018



QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95

LIST OF PRINCIPAL OFFICIALS

GOVERNING BOARD

Ken Brague, President

Bill Schultz, Vice President

Susan Leonard, Member

Jennifer Revolt, Member

Judah Nativio, Member

ADMINISTRATIVE STAFF

Perry Berry, Ed.D., Superintendent

Crystal Zachary, Chief Financial Officer

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Governing Board
Queen Creek Unified School District No. 95

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Queen Creek Unified School District No. 95 (District), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Queen Creek Unified School District No. 95, as of June 30, 2018, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 1, the District implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for the year ended June 30, 2018, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2018, on our consideration of Queen Creek Unified School District No. 95's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Queen Creek Unified School District No. 95's internal control over financial reporting and compliance.

Heinfeld, Meech & Co., P.C.

Heinfeld, Meech & Co., P.C.
Phoenix, Arizona
December 20, 2018

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

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**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

As management of the Queen Creek Unified School District No. 95 (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2018. The management's discussion and analysis is presented as required supplementary information to supplement the basic financial statements. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

- The District's total net position of governmental activities increased \$28.4 million which represents an 56 percent increase from the prior fiscal year as a result of an increase in capital grants and contributions to build two new schools for an increasing population.
- General revenues accounted for \$57.4 million in revenue, or 62 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$35.0 million or 38 percent of total current fiscal year revenues.
- The District had approximately \$64.0 million in expenses related to governmental activities, an increase of 11 percent from the prior fiscal year as a result of an increase in student count.
- Among major funds, the General Fund had \$46.4 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$41.5 million in expenditures. The General Fund's fund balance increase from \$6.6 million at the prior fiscal year end to \$11.7 million at the end of the current fiscal year was primarily due to an increase in property tax revenue as a result of an increase in the net assessed value of properties surrounding the District and an increase in state aid revenue due to an increasing student population.

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.

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

OVERVIEW OF FINANCIAL STATEMENTS

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

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

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

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

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

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

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

OVERVIEW OF FINANCIAL STATEMENTS

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

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

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$79.2 million at the current fiscal year end.

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

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

	As of June 30, 2018	As of June 30, 2017
Current and other assets	\$ 83,571,609	\$ 25,584,205
Capital assets, net	169,704,925	128,432,766
Total assets	<u>253,276,534</u>	<u>154,016,971</u>
 Deferred outflows	 <u>12,645,209</u>	 <u>10,330,231</u>
 Current and other liabilities	 12,466,466	 5,542,693
Long-term liabilities	171,345,181	102,905,184
Total liabilities	<u>183,811,647</u>	<u>108,447,877</u>
 Deferred inflows	 <u>2,920,236</u>	 <u>5,119,128</u>
 Net position:		
Net investment in capital assets	88,451,254	68,032,347
Restricted	12,593,027	6,762,737
Unrestricted	(21,854,421)	(24,014,887)
Total net position	<u>\$ 79,189,860</u>	<u>\$ 50,780,197</u>

At the end of the current fiscal year, the District reported positive balances in two categories of net position. Unrestricted net position, which is normally used to meet the District's mission reported a deficit of \$21.9 million. The deficit is due to the District's proportionate share of the state pension plan's unfunded liability. The same situation held true for the prior fiscal year.

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

- The principal retirement of \$5.0 million of bonds.
- The addition of \$45.5 million in capital assets through the construction of two new school sites, the renovation of a school site, and the purchase of pupil transportation vehicles.
- The increase of \$5.5 million in pension liabilities.
- The increase in accumulated depreciation of \$4.3 million.
- The issuance of \$45.2 million of school improvement bonds.
- The addition of \$17.8 million of capital lease obligations for financing the construction of the new elementary school.

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

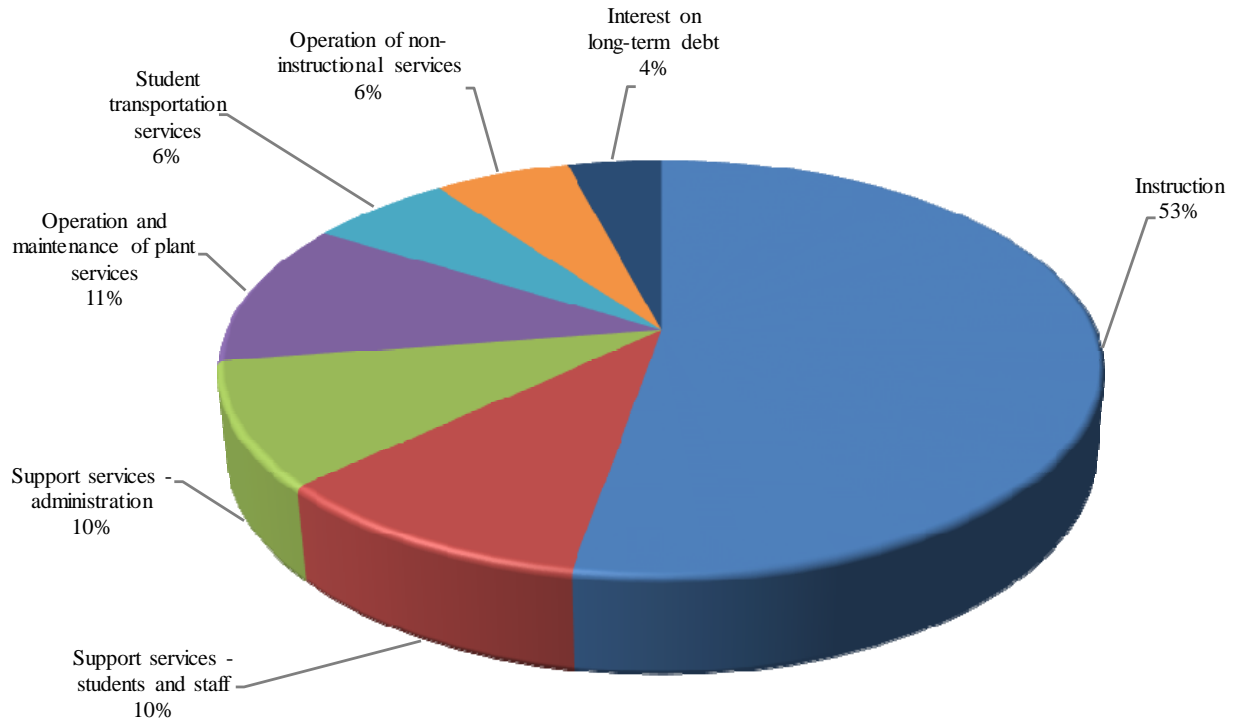
Changes in net position. The District's total revenues for the current fiscal year were \$92.4 million. The total cost of all programs and services was \$64.0 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2018 and June 30, 2017.

	Fiscal Year Ended June 30, 2018	Fiscal Year Ended June 30, 2017
Revenues:		
Program revenues:		
Charges for services	\$ 5,487,569	\$ 5,754,645
Operating grants and contributions	5,079,024	4,149,858
Capital grants and contributions	24,441,346	318,513
General revenues:		
Property taxes	26,453,692	23,304,407
Investment income	347,462	89,066
Unrestricted county aid	2,350,517	2,009,104
Unrestricted state aid	27,985,051	24,214,177
Unrestricted federal aid	217,585	186,746
Total revenues	92,362,246	60,026,516
Expenses:		
Instruction	33,710,073	29,917,103
Support services - students and staff	6,638,689	5,664,691
Support services - administration	6,109,880	5,437,447
Operation and maintenance of plant services	7,169,047	7,511,602
Student transportation services	3,949,889	3,432,255
Operation of non-instructional services	3,778,462	3,548,783
Interest on long-term debt	2,604,100	2,177,382
Total expenses	63,960,140	57,689,263
Changes in net position	28,402,106	2,337,253
Net position, beginning	50,787,754	48,442,944
Net position, ending	\$ 79,189,860	\$ 50,780,197

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Expenses - Fiscal Year 2018



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

- An increase of \$24.1 million in capital grants and contributions to build two new schools for an increasing population.
- An increase of \$3.1 million in property tax revenue due to an increase in the assessed values of properties surrounding the District.
- An increase of \$3.8 million in unrestricted state aid as a result of an increase in student count.
- An increase of \$3.8 million in instruction expense due to an increase in student count.

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.

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

	Year Ended June 30, 2018		Year Ended June 30, 2017	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 33,710,073	\$ (5,526,646)	\$ 29,917,103	\$ (26,364,940)
Support services - students and staff	6,638,689	(5,799,206)	5,664,691	(4,540,448)
Support services - administration	6,109,880	(5,669,435)	5,437,447	(5,239,013)
Operation and maintenance of plant services	7,169,047	(6,442,692)	7,511,602	(6,508,395)
Student transportation services	3,949,889	(3,576,201)	3,432,255	(3,000,898)
Operation of non-instructional services	3,778,462	550,077	3,548,783	251,314
Interest on long-term debt	2,604,100	(2,488,098)	2,177,382	(2,063,867)
Total	\$ 63,960,140	\$ (28,952,201)	\$ 57,689,263	\$ (47,466,247)

- The cost of all governmental activities this year was \$64.0 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$35.0 million.
- Net cost of governmental activities of \$29.0 million was financed by general revenues, which are made up of primarily property taxes of \$26.5 million and state and county aid of \$30.3 million.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$63.7 million, an increase of \$49.7 million due primarily to the issuance of school improvement bonds and capital lease obligations and the utilization of bond and lease proceeds for the building of two new schools.

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The General Fund comprises 18 percent of the total fund balance. Approximately \$11.7 million, or 100 percent of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District. The fund balance increased \$5.2 million to \$11.7 million as of fiscal year end. General Fund revenues increased \$5.2 million primarily due to an increase in state aid as a result of an increase in student count and increased property tax revenues due to an increase in assessed values of property surrounding the District.

The Debt Service Fund's fund balance increase of \$597,454 to \$724,612 as of fiscal year end was due to the District meeting debt service requirements.

The Unrestricted Capital Outlay's fund balance decreased \$2.5 million to a deficit fund balance of \$2.5 million as of fiscal year end due to capital expenditures necessary to meet the needs of an increase in student count.

The Bond Building Fund's fund balance increased \$42.0 million to \$43.2 million as of fiscal year end primarily due to the issuance of school improvement bonds and a capital lease obligation.

The New School Facilities Fund's fund balance increased \$3.7 million to \$3.7 million as of fiscal year end due to the School Facilities Board funding the District \$23.9 million to build two new schools.

BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the General Fund annual expenditure budget for changes in average daily membership of the District. The difference between the original budget and the final amended budget was a \$193,587 decrease, or less than one 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 variance between the final amended budget and actual expenditures of seven percent was due to the significant favorable variance of \$1.6 million in instruction which was a result of budgeting to the maximum general budget limit to maximize the budget carry forward to provide capacity in future years for contingencies. The growth is reflected in the current year budget limit and expenditures are expected to increase significantly in the next year due to the increase in the number of students.

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At year end, the District had invested \$212.0 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$45.5 million from the prior fiscal year, primarily due to the purchase of land for the planned new schools and the construction of two new schools. During the fiscal year, the District constructed a new elementary school that opened for the 2018-19 school year. The District also began construction on a new high school that will open for the 2019-20 school year. Total depreciation expense for the current fiscal year was \$4.3 million.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2018 and June 30, 2017.

	As of June 30, 2018	As of June 30, 2017
Capital assets - non-depreciable	\$ 54,886,786	\$ 10,342,329
Capital assets - depreciable, net	114,818,139	118,090,437
Total	\$ 169,704,925	\$ 128,432,766

The estimated cost to complete current construction projects is \$53.3 million.

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

Debt Administration. At year end, the District had \$125 million in long-term debt outstanding, \$5.2 million due within one year. Long-term debt increased by \$62.8 million due to the issuance of a \$45.2 million of school improvement bonds and \$17.8 million in capital lease obligations.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 30 percent of the total net full cash assessed valuation) and the statutory debt limit on Class B bonds (the greater of 20 percent of the net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$153.1 million and the Class B debt limit is \$102.1 million, which are more than the District's total outstanding general obligation and Class B debt, respectively.

Additional information on the District's long-term debt can be found in Notes 8 and 10.

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2018**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2018-19 budget. Among them:

- Fiscal year 2017-18 budget balance carry forward (estimated \$705,032)
- District student population (estimated 7,696)
- Employee salaries included increases for teachers (10 percent), classified employees (seven percent) and administrators (six percent)

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 15.2 percent to \$52.8 million in fiscal year 2018-19. Increased payroll and employee benefit costs as a result of an increase in students is the primary reason for the increase. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2018-19 budget.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business and Finance Department, Queen Creek Unified School District No. 95, 20217 East Chandler Heights Road, Queen Creek, Arizona 85142.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
STATEMENT OF NET POSITION
JUNE 30, 2018

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 69,545,398
Deposits	41,275
Property taxes receivable	1,188,137
Due from governmental entities	12,349,158
Inventory	290,380
Total current assets	83,414,348
Noncurrent assets:	
Net other postemployment benefit assets	157,261
Capital assets not being depreciated	54,886,786
Capital assets, net of accumulated depreciation	114,818,139
Total noncurrent assets	169,862,186
Total assets	253,276,534
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred charge on refunding	534,855
Pension and other postemployment benefit plan items	12,110,354
Total deferred outflows of resources	12,645,209
 <u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	744,682
Construction contracts payable	7,840,501
Accrued payroll and employee benefits	2,120,793
Compensated absences payable	98,610
Accrued interest payable	1,688,427
Unearned revenues	72,063
Bonds payable	5,190,000
Total current liabilities	17,755,076
Noncurrent liabilities:	
Non-current portion of long-term obligations	166,056,571
Total noncurrent liabilities	166,056,571
Total liabilities	183,811,647
 <u>DEFERRED INFLOWS OF RESOURCES</u>	
Pension and other postemployment benefit plan items	2,920,236
 <u>NET POSITION</u>	
Net investment in capital assets	88,451,254
Restricted for:	
Voter approved initiatives	2,318,814
Federal and state projects	269,482
Food service	969,653
Civic center projects	756,142
Community school projects	1,081,745
Joint technology education	829,027
Other local initiatives	224,639
Debt service	909,915
Capital outlay	5,233,610
Unrestricted	(21,854,421)
Total net position	\$ 79,189,860

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
Instruction	\$ 33,710,073	\$ 1,470,085	\$ 2,273,316	\$ 24,440,026	\$ (5,526,646)
Support services - students and staff	6,638,689	97,788	741,695		(5,799,206)
Support services - administration	6,109,880	45,335	395,110		(5,669,435)
Operation and maintenance of plant services	7,169,047	672,344	52,691	1,320	(6,442,692)
Student transportation services	3,949,889	66,277	307,411		(3,576,201)
Operation of non-instructional services	3,778,462	3,135,740	1,192,799		550,077
Interest on long-term debt	2,604,100		116,002		(2,488,098)
Total governmental activities	<u>\$ 63,960,140</u>	<u>\$ 5,487,569</u>	<u>\$ 5,079,024</u>	<u>\$ 24,441,346</u>	<u>(28,952,201)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	17,963,125
Property taxes, levied for debt service	8,490,567
Investment income	347,462
Unrestricted county aid	2,350,517
Unrestricted state aid	27,985,051
Unrestricted federal aid	217,585
Total general revenues	<u>57,354,307</u>

Changes in net position 28,402,106

Net position, beginning of year, as restated 50,787,754

Net position, end of year \$ 79,189,860

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

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FUND FINANCIAL STATEMENTS

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2018

	General	Debt Service	Unrestricted Capital Outlay
<u>ASSETS</u>			
Cash and investments	\$ 4,020,315	\$ 7,586,323	\$
Deposits			
Property taxes receivable	1,099,755	88,382	
Due from governmental entities	6,804,438	113,637	
Due from other funds	3,182,470		
Inventory	52,583		
Total assets	\$ 15,159,561	\$ 7,788,342	\$
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 469,673	\$	\$
Construction contracts payable			307,849
Due to other funds			2,564,136
Accrued payroll and employee benefits	1,858,481		
Unearned revenues			
Bonds payable		5,190,000	
Bond interest payable		1,688,427	
Total liabilities	2,328,154	6,878,427	2,871,985
Deferred inflows of resources:			
Unavailable revenues - property taxes	1,087,467	71,666	
Unavailable revenues - intergovernmental		113,637	
Total deferred inflows of resources	1,087,467	185,303	
Fund balances (deficits):			
Nonspendable	52,583		
Restricted		724,612	
Unassigned	11,691,357		(2,871,985)
Total fund balances	11,743,940	724,612	(2,871,985)
 Total liabilities, deferred inflows of resources and fund balances	 \$ 15,159,561	 \$ 7,788,342	 \$

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

<u>Bond Building</u>	<u>New School Facilities</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 48,471,058	\$ 2,284,744	\$ 7,182,958 41,275	\$ 69,545,398 41,275
	3,719,188	1,711,895	1,188,137
			12,349,158
			3,182,470
		237,797	290,380
<u>\$ 48,471,058</u>	<u>\$ 6,003,932</u>	<u>\$ 9,173,925</u>	<u>\$ 86,596,818</u>
\$ 5,247,908	\$ 2,284,744	\$ 275,009	\$ 744,682
			7,840,501
		618,334	3,182,470
		262,312	2,120,793
		72,063	72,063
			5,190,000
			1,688,427
<u>5,247,908</u>	<u>2,284,744</u>	<u>1,227,718</u>	<u>20,838,936</u>
			1,159,133
		822,142	935,779
		<u>822,142</u>	<u>2,094,912</u>
		237,797	290,380
43,223,150	3,719,188	7,726,127	55,393,077
		(839,859)	7,979,513
<u>43,223,150</u>	<u>3,719,188</u>	<u>7,124,065</u>	<u>63,662,970</u>
<u>\$ 48,471,058</u>	<u>\$ 6,003,932</u>	<u>\$ 9,173,925</u>	<u>\$ 86,596,818</u>

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QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2018

Total governmental fund balances		\$ 63,662,970
<p>Amounts reported for <i>governmental activities</i> in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		
Governmental capital assets	\$ 211,959,211	
Less accumulated depreciation	<u>(42,254,286)</u>	169,704,925
<p>Some receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable revenues in the funds.</p>		
Property taxes	1,159,133	
Intergovernmental	<u>935,779</u>	2,094,912
<p>Deferred items related to the net cost of issuance of bonds are amortized over the life of the associated bond issue in the government-wide statements but not reported in the funds.</p>		
		534,855
<p>Deferred outflows and inflows of resources related to pensions/OPEB are applicable to future periods and, therefore, are not reported in the funds.</p>		
Deferred outflows of resources related to pensions/OPEB	12,110,354	
Deferred inflows of resources related to pensions/OPEB	<u>(2,920,236)</u>	9,190,118
<p>The Net OPEB asset is not a current financial resource and, therefore, is not reported in the funds.</p>		
		157,261
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.</p>		
Compensated absences payable	(1,259,793)	
Obligations under capital leases	(17,800,000)	
Net OPEB liability	(104,553)	
Net pension liability	(44,969,159)	
Bonds payable	<u>(102,021,676)</u>	<u>(166,155,181)</u>
Net position of governmental activities		<u>\$ 79,189,860</u>

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018

	<u>General</u>	<u>Debt Service</u>	<u>Unrestricted Capital Outlay</u>
Revenues:			
Other local	\$ 3,452,266	\$ 50,217	\$ 7,722
Property taxes	17,965,927	8,467,013	6,622
State aid and grants	24,715,708		
Federal aid, grants and reimbursements	217,585	228,968	
Total revenues	<u>46,351,486</u>	<u>8,746,198</u>	<u>14,344</u>
Expenditures:			
Current -			
Instruction	23,293,392		
Support services - students and staff	4,907,940		
Support services - administration	4,588,022		
Operation and maintenance of plant services	6,041,579		
Student transportation services	2,227,704		
Operation of non-instructional services	288,120		
Capital outlay	104,350		2,344,441
Debt service -			
Principal retirement		5,560,000	
Interest and fiscal charges		2,759,022	258,397
Debt issuance costs			
Total expenditures	<u>41,451,107</u>	<u>8,319,022</u>	<u>2,602,838</u>
Excess (deficiency) of revenues over expenditures	<u>4,900,379</u>	<u>427,176</u>	<u>(2,588,494)</u>
Other financing sources (uses):			
Transfers in	133,321	170,278	
Transfers out			
Capital lease agreements			
Issuance of school improvement bonds			
Premium on sale of bonds			
Insurance recoveries	104,800		
Total other financing sources (uses)	<u>238,121</u>	<u>170,278</u>	
Changes in fund balances	<u>5,138,500</u>	<u>597,454</u>	<u>(2,588,494)</u>
Fund balances (deficits), beginning of year	6,552,857	127,158	(283,491)
Increase (decrease) in reserve for inventory	52,583		
Fund balances (deficits), end of year	<u>\$ 11,743,940</u>	<u>\$ 724,612</u>	<u>\$ (2,871,985)</u>

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

<u>Bond Building</u>	<u>New School Facilities</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 170,279	\$	\$ 4,964,492	\$ 8,644,976
	23,934,351	3,913,826	26,439,562
		3,439,164	52,563,885
<u>170,279</u>	<u>23,934,351</u>	<u>12,317,482</u>	<u>91,534,140</u>
		4,418,148	27,711,540
		1,442,894	6,350,834
		641,744	5,229,766
		234,503	6,276,082
		530,094	2,757,798
25,358,069	20,215,202	3,461,295	3,749,415
		930,040	48,952,102
			5,560,000
			3,017,419
953,503			953,503
<u>26,311,572</u>	<u>20,215,202</u>	<u>11,658,718</u>	<u>110,558,459</u>
<u>(26,141,293)</u>	<u>3,719,149</u>	<u>658,764</u>	<u>(19,024,319)</u>
(170,278)		(133,321)	303,599
17,800,000			(303,599)
45,215,000			17,800,000
5,282,203			45,215,000
			5,282,203
<u>68,126,925</u>		<u>(133,321)</u>	<u>104,800</u>
<u>41,985,632</u>	<u>3,719,149</u>	<u>525,443</u>	<u>68,402,003</u>
1,237,518	39	6,360,825	49,377,684
		237,797	13,994,906
<u>\$ 43,223,150</u>	<u>\$ 3,719,188</u>	<u>\$ 7,124,065</u>	<u>\$ 63,662,970</u>

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018

Changes in fund balances - total governmental funds	\$	49,377,684
<p>Amounts reported for <i>governmental activities</i> in the Statement of Activities are different because:</p>		
<p>Governmental funds report the portion of capital outlay for capitalized assets as expenditures. However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense.</p>		
Expenditures for capitalized assets	\$ 45,539,429	
Less current year depreciation	<u>(4,267,270)</u>	41,272,159
<p>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.</p>		
Issuance of school improvement bonds	(50,497,203)	
Obligations under capital leases	<u>(17,800,000)</u>	(68,297,203)
<p>Some revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Property taxes	14,130	
Intergovernmental	<u>709,176</u>	723,306
<p>Repayments of bond principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.</p>		
		5,560,000
<p>Governmental funds report pension/OPEB contributions as expenditures. However, they are reported as deferred outflows of resources in the Statement of Net Position. The change in the net pension/OPEB liability, adjusted for deferred items, is reported as pension/OPEB expense in the Statement of Activities.</p>		
Current year pension/OPEB contributions	3,676,332	
Pension/OPEB expense	<u>(4,555,829)</u>	(879,497)
<p>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.</p>		
Inventory	290,380	
Deferred charges on issuance of debt	(59,428)	
Amortization of deferred bond items	472,747	
Compensated absences	<u>(58,042)</u>	<u>645,657</u>
Changes in net position in governmental activities	\$	<u>28,402,106</u>

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2018

	Agency
<u>ASSETS</u>	
Cash and investments	\$ 680,036
Total assets	\$ 680,036
<u>LIABILITIES</u>	
Deposits held for others	\$ 530,711
Due to student groups	149,325
Total liabilities	\$ 680,036

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Queen Creek Unified School District No. 95 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

During the year ended June 30, 2018, the District implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement requires governments providing defined benefit postemployment benefits other than pensions to recognize the long-term obligation for those benefits as a liability, and to more comprehensively and comparably measure the annual costs of those benefits. This Statement also enhances accountability and transparency through revised note disclosures and new required supplementary information. The more significant of the District's accounting policies are described below.

A. Reporting Entity

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

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

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

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) present financial information about the District as a whole. The reported information includes all of the nonfiduciary activities of the District. For the most part, the effect of internal activity has been removed from these statements. These statements are to distinguish between the governmental and business-type activities of the District.

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

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

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

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

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

The District reports the following major governmental funds:

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

New School Facilities Fund – The New School Facilities Fund accounts for monies received from the School Facilities Board to be used for constructing new school facilities and purchasing land for new school sites.

Additionally, the District reports the following fund type:

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

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

D. Cash and Investments

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

E. Investment Income

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

F. Receivables and Payables

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

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

G. Property Tax Calendar

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

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

H. Inventory

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

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

I. Prepaid Items

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

J. Capital Assets

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

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Land improvements	15 – 50 years
Buildings and improvements	20 – 50 years
Vehicles, furniture and equipment	5 – 25 years

K. Deferred Outflows/Inflows of Resources

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

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

L. Compensated Absences

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

M. Pensions and Other Postemployment Benefits

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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

Q. Estimates

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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

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

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

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

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.

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 2 – FUND BALANCE CLASSIFICATIONS

The table below provides detail of the major components of the District’s fund balance classifications at year end. Voter approved initiatives include monies restricted in the Classroom Site and Instructional Improvement Funds.

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Unrestricted Capital Outlay Fund</u>	<u>Bond Building Fund</u>	<u>New School Facilities Fund</u>	<u>Non-Major Governmental Funds</u>
Fund Balances:						
Nonspendable:						
Inventory	\$ 52,583	\$	\$	\$	\$	\$ 237,797
Restricted:						
Debt service		724,612				
Capital projects					3,719,188	495,714
Bond building projects				43,223,150		
Voter approved initiatives						2,318,814
Federal and state projects						269,482
Food service						731,856
Civic center projects						756,142
Community schools projects						1,081,745
Extracurricular activities						207,829
Gifts and donations						1,018,708
JTED						829,027
Other purposes						16,810
Unassigned	<u>11,691,357</u>		<u>(2,871,985)</u>			<u>(839,859)</u>
Total fund balances	<u>\$ 11,743,940</u>	<u>\$ 724,612</u>	<u>\$ (2,871,985)</u>	<u>\$ 43,223,150</u>	<u>\$ 3,719,188</u>	<u>\$ 7,124,065</u>

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

	<u>Deficit</u>
Major Fund:	
Unrestricted Capital Outlay Fund	\$(2,871,985)
Non-Major Governmental Funds:	
Title I Grants Fund	(174,680)
Professional Development and Technology Grants Fund	(44,359)
Title IV Grants Fund	(3,426)
Limited English & Immigrant Students Fund	(4,500)
Special Education Grants Fund	(547,743)
Adult Education Fund	(18,642)
Vocational Education Fund	(7,367)
Other Federal Projects Fund	(17,717)
Other State Projects	(21,425)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

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

NOTE 4 – CASH AND INVESTMENTS

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure the District’s deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District’s deposits was \$1,234,668 and the bank balance was \$1,379,142. At year end, all of the District’s deposits were covered by depository insurance or collateral held by the pledging financial institution in the District’s name.

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

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

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

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

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer’s investment pool	502 days	\$ 68,990,766
Total		<u>\$ 68,990,766</u>

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 4 – CASH AND INVESTMENTS

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:

	General Fund	Debt Service Fund	New School Facilities Fund	Non-Major Governmental Funds
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Due from other governmental entities:				
Due from federal government	\$	\$ 113,637	\$	\$ 874,970
Due from state government	6,804,438		3,719,188	391,527
Due from other districts				445,398
Net due from governmental entities	<u>\$ 6,804,438</u>	<u>\$ 113,637</u>	<u>\$ 3,719,188</u>	<u>\$ 1,711,895</u>

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 6 – CAPITAL ASSETS

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

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 9,488,316	\$ 20,547,701	\$	\$ 30,036,017
Construction in progress	854,013	25,226,244	1,229,488	24,850,769
Total capital assets, not being depreciated	<u>10,342,329</u>	<u>45,773,945</u>	<u>1,229,488</u>	<u>54,886,786</u>
Capital assets, being depreciated:				
Land improvements	6,370,055	171,328		6,541,383
Buildings and improvements	136,652,194	336,162		136,988,356
Vehicles, furniture and equipment	13,066,972	487,482	11,768	13,542,686
Total capital assets being depreciated	<u>156,089,221</u>	<u>994,972</u>	<u>11,768</u>	<u>157,072,425</u>
Less accumulated depreciation for:				
Land improvements	(1,528,125)	(228,067)		(1,756,192)
Buildings and improvements	(30,173,092)	(3,112,398)		(33,285,490)
Vehicles, furniture and equipment	(6,297,567)	(926,805)	(11,768)	(7,212,604)
Total accumulated depreciation	<u>(37,998,784)</u>	<u>(4,267,270)</u>	<u>(11,768)</u>	<u>(42,254,286)</u>
Total capital assets, being depreciated, net	<u>118,090,437</u>	<u>(3,272,298)</u>		<u>114,818,139</u>
Governmental activities capital assets, net	<u>\$128,432,766</u>	<u>\$ 42,501,647</u>	<u>\$ 1,229,488</u>	<u>\$ 169,704,925</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 2,724,330
Support services – students and staff	7,367
Support services – administration	241,748
Operation and maintenance of plant services	662,619
Student transportation services	525,725
Operation of non-instructional services	105,481
Total depreciation expense – governmental activities	<u>\$ 4,267,270</u>

Construction Commitments – At year end, the District had contractual commitments related to the construction of two new school sites and renovations to one other school site. At year end, the District had spent \$24,850,769 on the projects and had estimated remaining contractual commitments of \$53,327,671. These projects are being funded from the Unrestricted Capital Outlay, Bond Building and New School Facilities Funds.

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 7 – 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. General Fund revenues will be used to repay the line of credit as cash becomes available. Short-term debt activity for the current fiscal year, was as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
Revolving line of credit	\$	\$ 1,582,000	\$ 1,582,000	\$

NOTE 8 – OBLIGATIONS UNDER CAPITAL LEASES

Capital Leases – The District has financed the construction of the new elementary school under the provisions of a long-term lease agreement classified as a capital lease. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of its future minimum lease payments as of the inception date. It is anticipated that future bond proceeds will be used to pay off the entire lease. Otherwise, revenues from the Unrestricted Capital Outlay Fund are used to pay the capital lease obligation. Amortization of assets recorded under capital leases is included with depreciation expense.

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

	Governmental Activities
Asset:	
Building and improvements	\$ 128,240
Construction in progress	14,974,892
Less: Accumulated depreciation	(712)
Total	\$ 15,102,420

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

	Governmental Activities
Year Ending June 30:	
2019	\$ 596,300
2020	596,300
2021	596,300
2022	1,811,300
2023	1,814,961
2024-28	9,067,460
2029-33	9,069,077
Total minimum lease payments	23,551,698
Less: amount representing interest	5,751,698
Present value of minimum lease payments	17,800,000
Due within one year	\$

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 9 – GENERAL OBLIGATION BONDS PAYABLE

Bonds payable at year end, consisted of the following outstanding general obligation bonds. Of the total amount originally authorized, \$63,555,000 remains unissued. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt. In addition, a portion of the District’s school improvements bonds are Qualified Build America Bonds (BABS). The District receives a direct subsidy payment from the United States of America for a portion of the interest payment due on the bonds.

<u>Purpose</u>	<u>Original Amount Issued</u>	<u>Interest Rates</u>	<u>Remaining Maturities</u>	<u>Outstanding Principal June 30, 2018</u>	<u>Due Within One Year</u>
Governmental activities:					
School Improvement Bonds, Projects of 2002 and 2005, Series 2008	\$14,580,000	4.0-4.5%	7/1/18-21	\$ 4,050,000	\$ 950,000
School Improvement Bonds, Projects of 2005, Series C 2010	8,735,000	3.5-6.75%	7/1/18-29	6,585,000	400,000
School Improvement Bonds, Project of 2010, Series B (2011)	2,265,000	3.0-4.0%	7/1/18	1,265,000	1,265,000
School Improvement Bonds, Projects of 2010 and 2014, Series 2015	31,920,000	2.0-4.5%	7/1/18-34	31,820,000	1,275,000
Refunding Bonds, Series 2015	6,910,000	2.0-5.0%	7/1/18-27	6,830,000	205,000
School Improvement Bonds, Project of 2010 and 2014, Series 2016	4,350,000	2.0-3.0%	7/1/18-29	4,350,000	250,000
School Improvement Bonds, Series 2018	45,215,000	3.0-5.0%	7/1/18-37	45,215,000	845,000
Total				<u>\$ 100,115,000</u>	<u>\$ 5,190,000</u>

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

Year ending June 30:	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2019	\$ 5,190,000	\$ 3,724,833
2020	5,610,000	3,982,637
2021	5,270,000	3,798,550
2022	4,445,000	3,608,413
2023	2,580,000	3,464,149
2024-28	24,570,000	14,618,851
2029-33	30,255,000	8,274,381
2034-38	22,195,000	2,247,300
Total	<u>\$ 100,115,000</u>	<u>\$ 43,719,114</u>

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 9 – GENERAL OBLIGATION BONDS PAYABLE

In prior years, the District defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District’s financial statements. At year end, \$4,780,000 of defeased bonds are still outstanding.

NOTE 10 – 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	\$ 59,945,000	\$ 45,215,000	\$ 5,045,000	\$ 100,115,000	\$ 5,190,000
Premium	2,287,220	5,282,203	472,747	7,096,676	
Total bonds payable	62,232,220	50,497,203	5,517,747	107,211,676	5,190,000
Obligations under capital leases		17,800,000		17,800,000	
Net OPEB liability	64,426	40,127		104,553	
Net pension liability	39,471,213	5,497,946		44,969,159	
Compensated absences payable	1,201,751	689,942	631,900	1,259,793	98,610
Governmental activity long-term liabilities	<u>\$ 102,969,610</u>	<u>\$ 74,525,218</u>	<u>\$ 6,149,647</u>	<u>\$ 171,345,181</u>	<u>\$ 5,288,610</u>

NOTE 11 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At year end, interfund balances were as follows:

Due to/from other funds:

	General Fund
Unrestricted Capital Outlay Fund	\$ 2,564,136
Non-Major Governmental and Other Funds	618,334
Total Due from Other Funds	<u>\$ 3,182,470</u>

At year end, several funds had negative cash balances in the Treasurer’s pooled cash accounts. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with the General Fund. All interfund balances are expected to be paid within one year.

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 11 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund transfers:

Transfers out	Transfers in		
	General Fund	Debt Service Fund	Total
Bond Building Fund	\$	\$ 170,278	\$ 170,278
Non-Major Governmental Funds	133,321		133,321
Total	\$ 133,321	\$ 170,278	\$ 303,599

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

NOTE 12 – CONTINGENT LIABILITIES

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

NOTE 13 – RISK MANAGEMENT

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

The District was unable to obtain general property and liability insurance at a cost it considered to be economically justifiable. Therefore, the District joined the Arizona School Risk Retention Trust, Inc. (ASRRT), together with other 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.

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 13 – RISK MANAGEMENT

The District’s employees have health and accident insurance coverage with the Valley Schools Employee Benefit Trust (VSEBT). 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.

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

NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

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

	Pension	OPEB
Net assets	\$	\$ (157,261)
Net liability	44,969,159	104,553
Deferred outflows of resources	11,918,545	191,809
Deferred inflows of resources	2,727,321	192,915
Expense	4,408,065	147,764
Contributions	3,484,523	191,809

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

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

*With actuarially reduced benefits

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

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

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

	Contributions
Pension	\$ 3,484,523
Health Insurance Premium	140,660
Long-Term Disability	51,149

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

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

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

	Net (Assets) Liability	District % Proportion	Increase (Decrease)
Pension	\$ 44,969,159	0.289	0.044
Health Insurance Premium	(157,261)	0.289	
Long-Term Disability	104,553	0.288	

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

	Expense
Pension	\$ 4,408,065
Health Insurance Premium	91,982
Long-Term Disability	55,782

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

	Deferred Outflows of Resources		
	Pension	Health Insurance Premium	Long-Term Disability
Differences between expected and actual experience	\$	\$	\$
Changes of assumptions or other inputs	1,953,114		
Net difference between projected and actual earnings on pension investments	322,848		
Changes in proportion and differences between contributions and proportionate share of contributions	6,158,060		
Contributions subsequent to the measurement date	3,484,523	140,660	51,149
Total	\$ 11,918,545	\$ 140,660	\$ 51,149

	Deferred Inflows of Resources		
	Pension	Health Insurance Premium	Long-Term Disability
Differences between expected and actual experience	\$ 1,348,424	\$	\$
Changes of assumptions or other inputs	1,344,659		
Net difference between projected and actual earnings on pension investments		177,069	15,640
Changes in proportion and differences between contributions and proportionate share of contributions	34,238	191	15
Total	\$ 2,727,321	\$ 177,260	\$ 15,655

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

Year Ending June 30:	Pension	Health Insurance Premium	Long-Term Disability
2019	\$ 1,425,409	\$ (44,307)	\$ (3,912)
2020	4,316,578	(44,307)	(3,912)
2021	999,138	(44,307)	(3,912)
2022	(1,034,425)	(44,307)	(3,912)
2023		(31)	(2)
Thereafter			(5)

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

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

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

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

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

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

	Proportionate share of the net (assets) liability		
	Current		
	1% Decrease	Discount Rate	1% Increase
Rate	7.0%	8.0%	9.0%
Pension	\$ 57,718,697	\$ 44,969,159	\$ 34,315,828
Health Insurance Premium	261,165	(157,261)	(512,851)
Long-Term Disability	125,019	104,553	87,200

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

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

	Statement of Activities
Net position, June 30, 2017, as previously reported	\$ 50,780,197
Net OPEB asset	71,983
Net OPEB liability	(64,426)
Net position, July 1, 2017, as restated	\$ 50,787,754

NOTE 15 – SUBSEQUENT EVENTS

During the 2018-19 fiscal year, the District is continuing construction on one new high school which will open in July of 2019. Additionally, the District purchased land for the construction of an additional elementary school. Proceeds from bonds and the School Facilities Board will be used to construct the new elementary school and is planned to be open July 2019.

REQUIRED SUPPLEMENTARY INFORMATION

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL
YEAR ENDED JUNE 30, 2018

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other local	\$	\$	\$ 2,306,997	\$ 2,306,997
Property taxes			17,965,927	17,965,927
State aid and grants			24,715,708	24,715,708
Total revenues			<u>44,988,632</u>	<u>44,988,632</u>
Expenditures:				
Current -				
Instruction	26,561,601	25,516,226	23,869,791	1,646,435
Support services - students and staff	5,156,707	5,584,926	4,940,178	644,748
Support services - administration	4,844,140	5,077,665	5,207,856	(130,191)
Operation and maintenance of plant services	6,669,157	6,520,033	6,012,979	507,054
Student transportation services	2,592,846	2,923,191	2,232,858	690,333
Operation of non-instructional services	223,656	232,479	219,990	12,489
Capital outlay			12,900	(12,900)
Total expenditures	<u>46,048,107</u>	<u>45,854,520</u>	<u>42,496,552</u>	<u>3,357,968</u>
Changes in fund balances	<u>(46,048,107)</u>	<u>(45,854,520)</u>	<u>2,492,080</u>	<u>48,346,600</u>
Fund balances, beginning of year			5,159,966	5,159,966
Increase (decrease) in reserve for inventory			52,583	52,583
Fund balances (deficits), end of year	<u>\$ (46,048,107)</u>	<u>\$ (45,854,520)</u>	<u>\$ 7,704,629</u>	<u>\$ 53,559,149</u>

See accompanying notes to this schedule.

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
ARIZONA STATE RETIREMENT SYSTEM
LAST FOUR FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Measurement date	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension (assets) liability	0.29%	0.24%	0.22%	0.23%
District's proportionate share of the net pension (assets) liability	\$ 44,969,159	\$ 39,471,213	\$ 34,990,643	\$ 33,722,771
District's covered payroll	\$ 27,511,772	\$ 22,275,410	\$ 20,090,009	\$ 20,007,486
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	163.45%	177.20%	174.17%	168.55%
Plan fiduciary net position as a percentage of the total pension liability	69.92%	67.06%	68.35%	69.49%

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 3,484,523	\$ 2,965,769	\$ 2,416,882	\$ 2,187,802
Contributions in relation to the actuarially determined contribution	<u>3,484,523</u>	<u>2,965,769</u>	<u>2,416,882</u>	<u>2,187,802</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 31,968,101	\$ 27,511,772	\$ 22,275,410	\$ 20,090,009
Contributions as a percentage of covered payroll	10.90%	10.78%	10.85%	10.89%

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

See accompanying notes to this schedule.

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
ARIZONA STATE RETIREMENT SYSTEM - HEALTH INSURANCE PREMIUM
JUNE 30, 2018

2018

Measurement date	June 30, 2017
District's proportion of the net OPEB (assets) liability	0.29%
District's proportionate share of the net OPEB (assets) liability	\$ (157,261)
District's covered payroll	\$ 27,511,772
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	-0.57%
Plan fiduciary net position as a percentage of the total OPEB liability	103.57%

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

2018

Actuarially determined contribution	\$ 140,660
Contributions in relation to the actuarially determined contribution	<u>140,660</u>
Contribution deficiency (excess)	<u><u>\$</u></u>
District's covered payroll	\$ 31,968,101
Contributions as a percentage of covered payroll	0.44%

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

See accompanying notes to this schedule.

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
ARIZONA STATE RETIREMENT SYSTEM - LONG-TERM DISABILITY
JUNE 30, 2018

2018

Measurement date	June 30, 2017
District's proportion of the net OPEB (assets) liability	0.29%
District's proportionate share of the net OPEB (assets) liability	\$ 104,553
District's covered payroll	\$ 27,511,772
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	0.38%
Plan fiduciary net position as a percentage of the total OPEB liability	84.44%

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

2018

Actuarially determined contribution	\$ 51,149
Contributions in relation to the actuarially determined contribution	<u>51,149</u>
Contribution deficiency (excess)	<u><u>\$</u></u>
District's covered payroll	\$ 31,968,101
Contributions as a percentage of covered payroll	0.16%

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

See accompanying notes to this schedule.

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2018

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

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

- Certain activities reported in the General Fund are budgeted in separate funds in accordance with Arizona Revised Statutes.
- Insurance expenditures for employee health insurance are budgeted in the year paid.

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	\$ 41,451,107	\$ 11,743,940
Activity budgeted as special revenue funds	(1,184,203)	(1,809,663)
Insurance Fund Withholding Activity	2,229,648	(2,229,648)
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	\$ 42,496,552	\$ 7,704,629

NOTE 2 – PENSION AND OPEB PLAN SCHEDULES

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

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

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

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GOVERNMENTAL FUNDS

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2018

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<u>ASSETS</u>			
Cash and investments	\$ 5,668,536	\$ 1,514,422	\$ 7,182,958
Deposits	41,275		41,275
Due from governmental entities	1,711,895		1,711,895
Inventory	237,797		237,797
Total assets	<u>\$ 7,659,503</u>	<u>\$ 1,514,422</u>	<u>\$ 9,173,925</u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 275,009	\$	\$ 275,009
Due to other funds	618,334		618,334
Accrued payroll and employee benefits	262,312		262,312
Unearned revenues	72,063		72,063
Total liabilities	<u>1,227,718</u>		<u>1,227,718</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>822,142</u>		<u>822,142</u>
Fund balances (deficits):			
Nonspendable	237,797		237,797
Restricted	6,211,705	1,514,422	7,726,127
Unassigned	(839,859)		(839,859)
Total fund balances	<u>5,609,643</u>	<u>1,514,422</u>	<u>7,124,065</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 7,659,503</u>	 <u>\$ 1,514,422</u>	 <u>\$ 9,173,925</u>

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
YEAR ENDED JUNE 30, 2018

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:			
Other local	\$ 4,687,032	\$ 277,460	\$ 4,964,492
State aid and grants	3,912,506	1,320	3,913,826
Federal aid, grants and reimbursements	3,439,164		3,439,164
Total revenues	<u>12,038,702</u>	<u>278,780</u>	<u>12,317,482</u>
Expenditures:			
Current -			
Instruction	4,418,148		4,418,148
Support services - students and staff	1,442,894		1,442,894
Support services - administration	641,744		641,744
Operation and maintenance of plant services	234,503		234,503
Student transportation services	530,094		530,094
Operation of non-instructional services	3,461,295		3,461,295
Capital outlay	928,738	1,302	930,040
Total expenditures	<u>11,657,416</u>	<u>1,302</u>	<u>11,658,718</u>
Excess (deficiency) of revenues over expenditures	<u>381,286</u>	<u>277,478</u>	<u>658,764</u>
Other financing sources (uses):			
Transfers out	(133,321)		(133,321)
Total other financing sources (uses)	<u>(133,321)</u>		<u>(133,321)</u>
Changes in fund balances	<u>247,965</u>	<u>277,478</u>	<u>525,443</u>
Fund balances, beginning of year	5,123,881	1,236,944	6,360,825
Increase (decrease) in reserve for inventory	237,797		237,797
Fund balances, end of year	<u>\$ 5,609,643</u>	<u>\$ 1,514,422</u>	<u>\$ 7,124,065</u>

SPECIAL REVENUE FUNDS

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

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

County, City and Town Grants - to account for monies received from county, city and town grants.

Student Success - to account for student success monies.

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

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

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

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

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

Adult Education - to account for financial assistance received from the federal government for adult education programs.

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

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

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

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

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

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

Adult Basic Education - to account for state financial assistance for continuous adult education.

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

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

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

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

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

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

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

Auxiliary Operations - to account for activity arising from bookstore, athletic and miscellaneous District related operations.

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

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

Career, Technical and Vocational Education Projects - to account for activity related to the production and subsequent sale of items produced in an instructional program by career and technical and vocational education pupils.

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

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

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

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

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

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

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

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>County, City, and Town Grants</u>
<u>ASSETS</u>			
Cash and investments	\$ 1,585,827	\$ 362,885	\$ 5,728
Deposits			
Due from governmental entities	249,007	121,095	
Inventory			
Total assets	\$ 1,834,834	\$ 483,980	\$ 5,728
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			
Accrued payroll and employee benefits			
Unearned revenues			
Total liabilities			
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Nonspendable			
Restricted	1,834,834	483,980	5,728
Unassigned			
Total fund balances	1,834,834	483,980	5,728
 Total liabilities, deferred inflows of resources and fund balances	\$ 1,834,834	\$ 483,980	\$ 5,728

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English & Immigrant Students</u>	<u>Special Education Grants</u>	<u>Adult Education</u>
\$	\$	\$	\$	\$	\$
185,468	44,359	3,426	4,500	547,743	18,642
<u>\$ 185,468</u>	<u>\$ 44,359</u>	<u>\$ 3,426</u>	<u>\$ 4,500</u>	<u>\$ 547,743</u>	<u>\$ 18,642</u>
\$ 36,806	\$ 9,259	\$ 1,773	\$	\$ 128,681	\$ 5,999
93,230	35,100	1,653	4,500	399,099	12,643
55,432				19,963	
<u>185,468</u>	<u>44,359</u>	<u>3,426</u>	<u>4,500</u>	<u>547,743</u>	<u>18,642</u>
<u>174,680</u>	<u>44,359</u>	<u>3,426</u>	<u>4,500</u>	<u>547,743</u>	<u>18,642</u>
<u>(174,680)</u>	<u>(44,359)</u>	<u>(3,426)</u>	<u>(4,500)</u>	<u>(547,743)</u>	<u>(18,642)</u>
<u>(174,680)</u>	<u>(44,359)</u>	<u>(3,426)</u>	<u>(4,500)</u>	<u>(547,743)</u>	<u>(18,642)</u>
<u>\$ 185,468</u>	<u>\$ 44,359</u>	<u>\$ 3,426</u>	<u>\$ 4,500</u>	<u>\$ 547,743</u>	<u>\$ 18,642</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018

	Vocational Education	E-Rate	Other Federal Projects
<u>ASSETS</u>			
Cash and investments	\$	\$ 58,198	\$
Deposits			
Due from governmental entities	9,217	18,264	27,797
Inventory			
Total assets	\$ 9,217	\$ 76,462	\$ 27,797
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$ 13,534	\$ 4,047
Due to other funds	9,217		41,467
Accrued payroll and employee benefits			
Unearned revenues			
Total liabilities	9,217	13,534	45,514
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	7,367		
Fund balances (deficits):			
Nonspendable			
Restricted		62,928	
Unassigned	(7,367)		(17,717)
Total fund balances	(7,367)	62,928	(17,717)
 Total liabilities, deferred inflows of resources and fund balances	 \$ 9,217	 \$ 76,462	 \$ 27,797

<u>Early Childhood Block Grant</u>	<u>College Credit Exam Incentives</u>	<u>Results-based Funding</u>	<u>Other State Projects</u>	<u>Food Service</u>	<u>Civic Center</u>
\$ 55	\$ 6,300	\$ 243,425	\$	\$ 785,065	\$ 776,945
			21,425	41,275	
				15,554	
				237,797	
<u>\$ 55</u>	<u>\$ 6,300</u>	<u>\$ 243,425</u>	<u>\$ 21,425</u>	<u>\$ 1,079,691</u>	<u>\$ 776,945</u>
\$	\$	\$ 43,171	\$	\$ 5,745	\$
			21,425		
55				32,285	20,803
<u>55</u>		<u>43,171</u>	<u>21,425</u>	<u>72,008</u>	<u>20,803</u>
				110,038	
			21,425		
	6,300	200,254		237,797	
			(21,425)	731,856	756,142
	<u>6,300</u>	<u>200,254</u>	<u>(21,425)</u>	<u>969,653</u>	<u>756,142</u>
<u>\$ 55</u>	<u>\$ 6,300</u>	<u>\$ 243,425</u>	<u>\$ 21,425</u>	<u>\$ 1,079,691</u>	<u>\$ 776,945</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018

	<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>	<u>Career, Technical and Vocational Education Projects</u>
<u>ASSETS</u>			
Cash and investments	\$ 1,195,010	\$ 207,829	\$ 1,803
Deposits			
Due from governmental entities			
Inventory			
Total assets	<u>\$ 1,195,010</u>	<u>\$ 207,829</u>	<u>\$ 1,803</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 16,277	\$	\$
Due to other funds			
Accrued payroll and employee benefits	96,988		
Unearned revenues			
Total liabilities	<u>113,265</u>		
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Nonspendable			
Restricted	1,081,745	207,829	1,803
Unassigned			
Total fund balances	<u>1,081,745</u>	<u>207,829</u>	<u>1,803</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,195,010</u>	<u>\$ 207,829</u>	<u>\$ 1,803</u>

<u>Fingerprint</u>	<u>Textbooks</u>	<u>Grants and Gifts to Teachers</u>	<u>Joint Technical Education</u>	<u>Totals</u>
\$ 6,198	\$ 2,486	\$ 595	\$ 430,187	\$ 5,668,536
				41,275
			445,398	1,711,895
				237,797
<u>\$ 6,198</u>	<u>\$ 2,486</u>	<u>\$ 595</u>	<u>\$ 875,585</u>	<u>\$ 7,659,503</u>
\$	\$	\$	\$ 9,717	\$ 275,009
				618,334
			36,841	262,312
				72,063
			<u>46,558</u>	<u>1,227,718</u>
				<u>822,142</u>
				237,797
6,198	2,486	595	829,027	6,211,705
<u>6,198</u>	<u>2,486</u>	<u>595</u>	<u>829,027</u>	<u>(839,859)</u>
				<u>5,609,643</u>
<u>\$ 6,198</u>	<u>\$ 2,486</u>	<u>\$ 595</u>	<u>\$ 875,585</u>	<u>\$ 7,659,503</u>

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>County, City, and Town Grants</u>
Revenues:			
Other local	\$ 19,411	\$ 14	\$ 1
State aid and grants	2,988,006	281,337	
Federal aid, grants and reimbursements			
Total revenues	<u>3,007,417</u>	<u>281,351</u>	<u>1</u>
Expenditures:			
Current -			
Instruction	2,316,066	194,465	
Support services - students and staff		91,232	109
Support services - administration		41,888	25
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>2,316,066</u>	<u>327,585</u>	<u>134</u>
Excess (deficiency) of revenues over expenditures	<u>691,351</u>	<u>(46,234)</u>	<u>(133)</u>
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	<u>691,351</u>	<u>(46,234)</u>	<u>(133)</u>
Fund balances, beginning of year	1,143,483	530,214	5,861
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ 1,834,834</u>	<u>\$ 483,980</u>	<u>\$ 5,728</u>

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English & Immigrant Students</u>	<u>Special Education Grants</u>	<u>Adult Education</u>
\$	\$	\$	\$	\$	\$
1,154,686	69,804	839	4,735	662,053	171,127
<u>1,154,686</u>	<u>69,804</u>	<u>839</u>	<u>4,735</u>	<u>662,053</u>	<u>171,127</u>
406,336		3,808	848	502,561	163,905
506,609	41,255		8,000	383,208	8,128
324,016	61,313		225	3,617	13,687
94					
14,880				303,192	
22,169				649	
<u>1,274,104</u>	<u>102,568</u>	<u>3,808</u>	<u>9,073</u>	<u>1,193,227</u>	<u>185,720</u>
<u>(119,418)</u>	<u>(32,764)</u>	<u>(2,969)</u>	<u>(4,338)</u>	<u>(531,174)</u>	<u>(14,593)</u>
<u>(55,262)</u>	<u>(11,595)</u>	<u>(457)</u>	<u>(162)</u>	<u>(16,569)</u>	<u>(4,049)</u>
<u>(55,262)</u>	<u>(11,595)</u>	<u>(457)</u>	<u>(162)</u>	<u>(16,569)</u>	<u>(4,049)</u>
<u>(174,680)</u>	<u>(44,359)</u>	<u>(3,426)</u>	<u>(4,500)</u>	<u>(547,743)</u>	<u>(18,642)</u>
<u>\$ (174,680)</u>	<u>\$ (44,359)</u>	<u>\$ (3,426)</u>	<u>\$ (4,500)</u>	<u>\$ (547,743)</u>	<u>\$ (18,642)</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Vocational Education	E-Rate	Other Federal Projects
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	51,254	72,378	59,489
Total revenues	51,254	72,378	59,489
Expenditures:			
Current -			
Instruction	3,801		10,386
Support services - students and staff	8,108		54,551
Support services - administration		83,883	8,675
Operation and maintenance of plant services		3,290	
Student transportation services			
Operation of non-instructional services			
Capital outlay	45,283	206,039	
Total expenditures	57,192	293,212	73,612
Excess (deficiency) of revenues over expenditures	(5,938)	(220,834)	(14,123)
Other financing sources (uses):			
Transfers out	(1,429)		(3,798)
Total other financing sources (uses)	(1,429)		(3,798)
Changes in fund balances	(7,367)	(220,834)	(17,921)
Fund balances, beginning of year		283,762	204
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (7,367)	\$ 62,928	\$ (17,717)

<u>State Vocational Education</u>	<u>Adult Basic Education</u>	<u>College Credit Exam Incentives</u>	<u>Results-based Funding</u>	<u>Other State Projects</u>	<u>Food Service</u>
\$ 57,471	\$ 118,588	\$ 6,300	\$ 396,433	\$ 64,371	\$ 1,507,725
<u>57,471</u>	<u>118,588</u>	<u>6,300</u>	<u>396,433</u>	<u>64,371</u>	<u>1,192,799</u>
					<u>2,700,524</u>
7,002	43,181		49,017		
21,224	57,754				
437	17,653				382
1,500				85,796	
					2,395,203
27,308			147,162		91,042
<u>57,471</u>	<u>118,588</u>		<u>196,179</u>	<u>85,796</u>	<u>2,486,627</u>
		<u>6,300</u>	<u>200,254</u>	<u>(21,425)</u>	<u>213,897</u>
					(40,000)
					(40,000)
		<u>6,300</u>	<u>200,254</u>	<u>(21,425)</u>	<u>173,897</u>
					557,959
					237,797
<u>\$</u>	<u>\$</u>	<u>\$ 6,300</u>	<u>\$ 200,254</u>	<u>\$ (21,425)</u>	<u>\$ 969,653</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	<u>Civic Center</u>	<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>
Revenues:			
Other local	\$ 541,499	\$ 1,493,791	\$ 247,728
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>541,499</u>	<u>1,493,791</u>	<u>247,728</u>
Expenditures:			
Current -			
Instruction	13,754	105,118	75,326
Support services - students and staff	10,180	62,141	40,680
Support services - administration	31,000	3,110	
Operation and maintenance of plant services	111,838	30,000	
Student transportation services	84,451	2,508	99,373
Operation of non-instructional services	20,374	1,038,563	7,155
Capital outlay	309,191	21,449	5,488
Total expenditures	<u>580,788</u>	<u>1,262,889</u>	<u>228,022</u>
Excess (deficiency) of revenues over expenditures	<u>(39,289)</u>	<u>230,902</u>	<u>19,706</u>
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)	<u> </u>	<u> </u>	<u> </u>
Changes in fund balances	<u>(39,289)</u>	<u>230,902</u>	<u>19,706</u>
Fund balances, beginning of year	795,431	850,843	188,123
Increase (decrease) in reserve for inventory			
Fund balances, end of year	<u>\$ 756,142</u>	<u>\$ 1,081,745</u>	<u>\$ 207,829</u>

Career, Technical and Vocational Education Projects	Fingerprint	Textbooks	Grants and Gifts to Teachers	Joint Technical Education	Totals
\$	\$ 3,632	\$ 597	\$ 461	\$ 872,173	\$ 4,687,032
					3,912,506
					3,439,164
	<u>3,632</u>	<u>597</u>	<u>461</u>	<u>872,173</u>	<u>12,038,702</u>
				522,574	4,418,148
				149,715	1,442,894
				51,833	641,744
				1,985	234,503
				25,690	530,094
					3,461,295
				52,958	928,738
				804,755	11,657,416
	<u>3,632</u>	<u>597</u>	<u>461</u>	<u>67,418</u>	<u>381,286</u>
					(133,321)
					(133,321)
	<u>3,632</u>	<u>597</u>	<u>461</u>	<u>67,418</u>	<u>247,965</u>
1,803	2,566	1,889	134	761,609	5,123,881
					237,797
<u>\$ 1,803</u>	<u>\$ 6,198</u>	<u>\$ 2,486</u>	<u>\$ 595</u>	<u>\$ 829,027</u>	<u>\$ 5,609,643</u>

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 19,411	\$ 19,411
State aid and grants		2,988,006	2,988,006
Federal aid, grants and reimbursements			
Total revenues	4,698,837	3,007,417	3,007,417
Expenditures:			
Current -			
Instruction	4,698,837	2,316,066	2,382,771
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	4,698,837	2,316,066	2,382,771
Excess (deficiency) of revenues over expenditures	(4,698,837)	691,351	5,390,188
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	(4,698,837)	691,351	5,390,188
Fund balances, beginning of year		1,143,483	1,143,483
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (4,698,837)	\$ 1,834,834	\$ 6,533,671

Instructional Improvement			County, City, and Town Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 14 281,337	\$ 14 281,337	\$	\$ 1	\$ 1
	<u>281,351</u>	<u>281,351</u>		<u>1</u>	<u>1</u>
300,000	194,465	105,535			
150,000	91,232	58,768	10,000	109	9,891
100,000	41,888	58,112	6,000	25	5,975
<u>550,000</u>	<u>327,585</u>	<u>222,415</u>	<u>16,000</u>	<u>134</u>	<u>15,866</u>
<u>(550,000)</u>	<u>(46,234)</u>	<u>503,766</u>	<u>(16,000)</u>	<u>(133)</u>	<u>15,867</u>
<u>(550,000)</u>	<u>(46,234)</u>	<u>503,766</u>	<u>(16,000)</u>	<u>(133)</u>	<u>15,867</u>
	530,214	530,214		5,861	5,861
<u>\$ (550,000)</u>	<u>\$ 483,980</u>	<u>\$ 1,033,980</u>	<u>\$ (16,000)</u>	<u>\$ 5,728</u>	<u>\$ 21,728</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Student Success		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues			
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures			
Excess (deficiency) of revenues over expenditures			
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances			
Fund balances, beginning of year		458	458
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$	\$ 458	\$ 458

Title I Grants			Professional Development and Technology Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	1,154,686	1,154,686		69,804	69,804
	1,154,686	1,154,686		69,804	69,804
1,300,000	406,336	893,664			
750,000	506,609	243,391	75,500	41,255	34,245
480,000	324,016	155,984	83,483	61,313	22,170
15,000	94	14,906			
50,000	14,880	35,120			
150,000	22,169	127,831			
2,745,000	1,274,104	1,470,896	158,983	102,568	56,415
(2,745,000)	(119,418)	2,625,582	(158,983)	(32,764)	126,219
(125,693)	(55,262)	70,431	(50,595)	(11,595)	39,000
(125,693)	(55,262)	70,431	(50,595)	(11,595)	39,000
(2,870,693)	(174,680)	2,696,013	(209,578)	(44,359)	165,219
\$ (2,870,693)	\$ (174,680)	\$ 2,696,013	\$ (209,578)	\$ (44,359)	\$ 165,219

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Title IV Grants		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		839	839
Total revenues		839	839
Expenditures:			
Current -			
Instruction		3,808	(3,808)
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures		3,808	(3,808)
Excess (deficiency) of revenues over expenditures		(2,969)	(2,969)
Other financing sources (uses):			
Transfers in			
Transfers out		(457)	(457)
Insurance recoveries			
Total other financing sources (uses)		(457)	(457)
Changes in fund balances		(3,426)	(3,426)
Fund balances, beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$	\$ (3,426)	\$ (3,426)

<u>Limited English & Immigrant Students</u>			<u>Special Education Grants</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
\$	\$	\$	\$	\$	\$
	<u>4,735</u>	<u>4,735</u>		<u>662,053</u>	<u>662,053</u>
	<u>4,735</u>	<u>4,735</u>		<u>662,053</u>	<u>662,053</u>
1,500	848	652	450,650	502,561	(51,911)
18,500	8,000	10,500	200,500	383,208	(182,708)
9,658	225	9,433	5,000	3,617	1,383
			205,269	303,192	(97,923)
			<u>1,000</u>	<u>649</u>	<u>351</u>
<u>29,658</u>	<u>9,073</u>	<u>20,585</u>	<u>862,419</u>	<u>1,193,227</u>	<u>(330,808)</u>
<u>(29,658)</u>	<u>(4,338)</u>	<u>25,320</u>	<u>(862,419)</u>	<u>(531,174)</u>	<u>331,245</u>
<u>(5,000)</u>	<u>(162)</u>	<u>4,838</u>	<u>(15,000)</u>	<u>(16,569)</u>	<u>(1,569)</u>
<u>(5,000)</u>	<u>(162)</u>	<u>4,838</u>	<u>(15,000)</u>	<u>(16,569)</u>	<u>(1,569)</u>
<u>(34,658)</u>	<u>(4,500)</u>	<u>30,158</u>	<u>(877,419)</u>	<u>(547,743)</u>	<u>329,676</u>
<u>\$ (34,658)</u>	<u>\$ (4,500)</u>	<u>\$ 30,158</u>	<u>\$ (877,419)</u>	<u>\$ (547,743)</u>	<u>\$ 329,676</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Adult Education		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		171,127	171,127
Total revenues		171,127	171,127
Expenditures:			
Current -			
Instruction	159,000	163,905	(4,905)
Support services - students and staff	6,000	8,128	(2,128)
Support services - administration	20,769	13,687	7,082
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	185,769	185,720	49
Excess (deficiency) of revenues over expenditures	(185,769)	(14,593)	171,176
Other financing sources (uses):			
Transfers in			
Transfers out	(4,000)	(4,049)	(49)
Insurance recoveries			
Total other financing sources (uses)	(4,000)	(4,049)	(49)
Changes in fund balances	(189,769)	(18,642)	171,127
Fund balances, beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (189,769)	\$ (18,642)	\$ 171,127

Vocational Education			Medicaid Reimbursement		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 234	\$ 234
	51,254	51,254		217,585	217,585
	51,254	51,254		217,819	217,819
5,500	3,801	1,699	5,900	3,329	2,571
67,114	8,108	59,006	101,000	43,891	57,109
			150,200	70,170	80,030
			11,900	5,937	5,963
53,500	45,283	8,217	56,000	41,796	14,204
126,114	57,192	68,922	325,000	165,123	159,877
(126,114)	(5,938)	120,176	(325,000)	52,696	377,696
(3,000)	(1,429)	1,571			
(3,000)	(1,429)	1,571			
(129,114)	(7,367)	121,747	(325,000)	52,696	377,696
				194,575	194,575
\$ (129,114)	\$ (7,367)	\$ 121,747	\$ (325,000)	\$ 247,271	\$ 572,271

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	E-Rate		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		72,378	72,378
Total revenues		<u>72,378</u>	<u>72,378</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration	100,500	83,883	16,617
Operation and maintenance of plant services	4,000	3,290	710
Student transportation services			
Operation of non-instructional services			
Capital outlay	210,500	206,039	4,461
Total expenditures	<u>315,000</u>	<u>293,212</u>	<u>21,788</u>
Excess (deficiency) of revenues over expenditures	<u>(315,000)</u>	<u>(220,834)</u>	<u>94,166</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	<u>(315,000)</u>	<u>(220,834)</u>	<u>94,166</u>
Fund balances, beginning of year		283,762	283,762
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (315,000)</u>	<u>\$ 62,928</u>	<u>\$ 377,928</u>

Other Federal Projects			State Vocational Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	59,489	59,489		57,471	57,471
	<u>59,489</u>	<u>59,489</u>		<u>57,471</u>	<u>57,471</u>
5,500	10,386	(4,886)	7,000	7,002	(2)
25,000	54,551	(29,551)	23,000	21,224	1,776
2,500	8,675	(6,175)	500	437	63
			1,466	1,500	(34)
			25,500	27,308	(1,808)
<u>33,000</u>	<u>73,612</u>	<u>(40,612)</u>	<u>57,466</u>	<u>57,471</u>	<u>(5)</u>
<u>(33,000)</u>	<u>(14,123)</u>	<u>18,877</u>	<u>(57,466)</u>		<u>57,466</u>
(825)	(3,798)	(2,973)			
<u>(825)</u>	<u>(3,798)</u>	<u>(2,973)</u>			
<u>(33,825)</u>	<u>(17,921)</u>	<u>15,904</u>	<u>(57,466)</u>		<u>57,466</u>
	204	204			
<u>\$ (33,825)</u>	<u>\$ (17,717)</u>	<u>\$ 16,108</u>	<u>\$ (57,466)</u>	<u>\$</u>	<u>\$ 57,466</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Adult Basic Education		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants		118,588	118,588
Federal aid, grants and reimbursements			
Total revenues		118,588	118,588
Expenditures:			
Current -			
Instruction	43,200	43,181	19
Support services - students and staff	60,000	57,754	2,246
Support services - administration	18,465	17,653	812
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	121,665	118,588	3,077
Excess (deficiency) of revenues over expenditures	(121,665)		121,665
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	(121,665)		121,665
Fund balances, beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (121,665)	\$	\$ 121,665

<u>College Credit Exam Incentives</u>			<u>Results-based Funding</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
\$	\$	\$	\$	\$	\$
	6,300	6,300		396,433	396,433
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	6,300	6,300		396,433	396,433
			135,887	49,017	86,870
			260,500	147,162	113,338
			396,387	196,179	200,208
	6,300	6,300	(396,387)	200,254	596,641
	6,300	6,300	(396,387)	200,254	596,641
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
	6,300	6,300	(396,387)	200,254	596,641

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Other State Projects		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants		64,371	64,371
Federal aid, grants and reimbursements			
Total revenues	_____	64,371	64,371
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services	85,701	85,796	(95)
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	85,701	85,796	(95)
Excess (deficiency) of revenues over expenditures	(85,701)	(21,425)	64,276
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)	_____	_____	_____
Changes in fund balances	(85,701)	(21,425)	64,276
Fund balances, beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (85,701)	\$ (21,425)	\$ 64,276

School Plant			Food Service		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 38,654	\$ 38,654	\$	\$ 1,507,725	\$ 1,507,725
				1,192,799	1,192,799
	<u>38,654</u>	<u>38,654</u>		<u>2,700,524</u>	<u>2,700,524</u>
265,000	8,192	256,808	49,500	382	49,118
			2,400,000	2,395,203	4,797
			100,000	91,042	8,958
<u>265,000</u>	<u>8,192</u>	<u>256,808</u>	<u>2,549,500</u>	<u>2,486,627</u>	<u>62,873</u>
<u>(265,000)</u>	<u>30,462</u>	<u>295,462</u>	<u>(2,549,500)</u>	<u>213,897</u>	<u>2,763,397</u>
			(50,500)	(40,000)	10,500
			<u>(50,500)</u>	<u>(40,000)</u>	<u>10,500</u>
<u>(265,000)</u>	<u>30,462</u>	<u>295,462</u>	<u>(2,600,000)</u>	<u>173,897</u>	<u>2,773,897</u>
	235,975	235,975		557,959	557,959
				237,797	237,797
<u>\$ (265,000)</u>	<u>\$ 266,437</u>	<u>\$ 531,437</u>	<u>\$ (2,600,000)</u>	<u>\$ 969,653</u>	<u>\$ 3,569,653</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Civic Center		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 541,499	\$ 541,499
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	(600,000)	(39,289)	560,711
Expenditures:			
Current -			
Instruction	14,000	13,754	246
Support services - students and staff	19,500	10,180	9,320
Support services - administration	31,500	31,000	500
Operation and maintenance of plant services	115,000	111,838	3,162
Student transportation services	85,000	84,451	549
Operation of non-instructional services	25,000	20,374	4,626
Capital outlay	310,000	309,191	809
Total expenditures	600,000	580,788	19,212
Excess (deficiency) of revenues over expenditures	(600,000)	(39,289)	560,711
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)	(600,000)	(39,289)	560,711
Changes in fund balances	(600,000)	(39,289)	560,711
Fund balances, beginning of year		795,431	795,431
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (600,000)	\$ 756,142	\$ 1,356,142

Community School			Auxiliary Operations		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 1,493,791	\$ 1,493,791	\$	\$ 1,038,549	\$ 1,038,549
	<u>1,493,791</u>	<u>1,493,791</u>		<u>1,038,549</u>	<u>1,038,549</u>
120,500	105,118	15,382	425,200	414,052	11,148
98,400	62,141	36,259	77,100	72,672	4,428
5,000	3,110	1,890	36,990	33,691	3,299
156,000	30,000	126,000	97,000	91,003	5,997
74,600	2,508	72,092	51,500	49,254	2,246
1,200,000	1,038,563	161,437	107,500	103,015	4,485
45,500	21,449	24,051	4,710	194	4,516
<u>1,700,000</u>	<u>1,262,889</u>	<u>437,111</u>	<u>800,000</u>	<u>763,881</u>	<u>36,119</u>
<u>(1,700,000)</u>	<u>230,902</u>	<u>1,930,902</u>	<u>(800,000)</u>	<u>274,668</u>	<u>1,074,668</u>
<u>(1,700,000)</u>	<u>230,902</u>	<u>1,930,902</u>	<u>(800,000)</u>	<u>274,668</u>	<u>1,074,668</u>
	850,843	850,843		612,942	612,942
<u>\$ (1,700,000)</u>	<u>\$ 1,081,745</u>	<u>\$ 2,781,745</u>	<u>\$ (800,000)</u>	<u>\$ 887,610</u>	<u>\$ 1,687,610</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Extracurricular Activities Fees Tax Credit		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 247,728	\$ 247,728
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	(425,000)	19,706	444,706
Expenditures:			
Current -			
Instruction	125,000	75,326	49,674
Support services - students and staff	75,000	40,680	34,320
Support services - administration			
Operation and maintenance of plant services			
Student transportation services	150,500	99,373	51,127
Operation of non-instructional services	50,700	7,155	43,545
Capital outlay	23,800	5,488	18,312
Total expenditures	425,000	228,022	196,978
Excess (deficiency) of revenues over expenditures	(425,000)	19,706	444,706
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)	(425,000)	19,706	444,706
Changes in fund balances	(425,000)	19,706	444,706
Fund balances, beginning of year		188,123	188,123
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (425,000)	\$ 207,829	\$ 632,829

<u>Gifts and Donations</u>			<u>Career, Technical and Vocational Education Projects</u>		
<u>Budget</u>	<u>Non-GAAP Actual</u>	<u>Variance - Positive (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
\$	\$ 56,309	\$ 56,309	\$	\$	\$
	<u>56,309</u>	<u>56,309</u>			
35,900	7,975	27,925	1,800		1,800
115,000	22,641	92,359			
9,950	2,695	7,255			
150	93	57			
10,500	2,955	7,545			
3,500	1,185	2,315			
25,000	5,644	19,356			
<u>200,000</u>	<u>43,188</u>	<u>156,812</u>	<u>1,800</u>		<u>1,800</u>
<u>(200,000)</u>	<u>13,121</u>	<u>213,121</u>	<u>(1,800)</u>		<u>1,800</u>
<u>(200,000)</u>	<u>13,121</u>	<u>213,121</u>	<u>(1,800)</u>		<u>1,800</u>
	178,546	178,546		1,803	1,803
<u>\$ (200,000)</u>	<u>\$ 191,667</u>	<u>\$ 391,667</u>	<u>\$ (1,800)</u>	<u>\$ 1,803</u>	<u>\$ 3,603</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Fingerprint		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 3,632	\$ 3,632
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	(5,500)	3,632	3,632
Expenditures:			
Current -			
Instruction	5,500		5,500
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	5,500		5,500
Excess (deficiency) of revenues over expenditures	(5,500)	3,632	9,132
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	(5,500)	3,632	9,132
Fund balances, beginning of year		2,566	2,566
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (5,500)	\$ 6,198	\$ 11,698

Insurance Proceeds			Textbooks		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 597	\$ 597
				597	597
			2,500		2,500
105,000	61,423	43,577			
85,000	43,816	41,184			
190,000	105,239	84,761	2,500		2,500
(190,000)	(105,239)	84,761	(2,500)	597	3,097
	104,800	104,800			
	104,800	104,800			
(190,000)	(439)	189,561	(2,500)	597	3,097
	93,831	93,831		1,889	1,889
\$ (190,000)	\$ 93,392	\$ 283,392	\$ (2,500)	\$ 2,486	\$ 4,986

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Litigation Recovery		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 10,000	\$ 10,000
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		10,000	10,000
Expenditures:			
Current -			
Instruction	21,000		21,000
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	21,000		21,000
Excess (deficiency) of revenues over expenditures	(21,000)	10,000	31,000
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	(21,000)	10,000	31,000
Fund balances, beginning of year		12,665	12,665
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (21,000)	\$ 22,665	\$ 43,665

Indirect Costs			Grants and Gifts to Teachers		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 94	\$ 94	\$	\$ 461	\$ 461
	94	94		461	461
185,000	98,057	86,943	135		135
<u>185,000</u>	<u>98,057</u>	<u>86,943</u>	<u>135</u>		<u>135</u>
<u>(185,000)</u>	<u>(97,963)</u>	<u>87,037</u>	<u>(135)</u>	<u>461</u>	<u>596</u>
	133,321	133,321			
	<u>133,321</u>	<u>133,321</u>			
<u>(185,000)</u>	<u>35,358</u>	<u>220,358</u>	<u>(135)</u>	<u>461</u>	<u>596</u>
	60,707	60,707		134	134
<u>\$ (185,000)</u>	<u>\$ 96,065</u>	<u>\$ 281,065</u>	<u>\$ (135)</u>	<u>\$ 595</u>	<u>\$ 730</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Advertisement		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
Revenues:			
Other local	\$	\$ 1,429	\$ 1,429
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		1,429	1,429
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration	5,000	523	4,477
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	5,000	523	4,477
Excess (deficiency) of revenues over expenditures	(5,000)	906	5,906
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	(5,000)	906	5,906
Fund balances, beginning of year		3,192	3,192
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (5,000)	\$ 4,098	\$ 9,098

Joint Technical Education			Totals		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 872,173	\$ 872,173	\$	\$ 5,832,301	\$ 5,832,301
				3,912,506	3,912,506
				3,656,749	3,656,749
	<u>872,173</u>	<u>872,173</u>		<u>13,401,556</u>	<u>13,401,556</u>
625,500	522,574	102,926	8,490,009	4,843,504	3,646,505
209,000	149,715	59,285	2,080,614	1,582,098	498,516
75,300	51,833	23,467	1,375,315	846,880	528,435
3,850	1,985	1,865	860,067	401,151	458,916
56,350	25,690	30,660	683,719	582,303	101,416
			3,786,700	3,565,495	221,205
55,000	52,958	2,042	1,406,010	1,020,188	385,822
<u>1,025,000</u>	<u>804,755</u>	<u>220,245</u>	<u>18,682,434</u>	<u>12,841,619</u>	<u>5,840,815</u>
<u>(1,025,000)</u>	<u>67,418</u>	<u>1,092,418</u>	<u>(18,682,434)</u>	<u>559,937</u>	<u>19,242,371</u>
				133,321	133,321
			(254,613)	(133,321)	121,292
				104,800	104,800
			<u>(254,613)</u>	<u>104,800</u>	<u>359,413</u>
<u>(1,025,000)</u>	<u>67,418</u>	<u>1,092,418</u>	<u>(18,937,047)</u>	<u>664,737</u>	<u>19,601,784</u>
	761,609	761,609		6,516,772	6,516,772
				237,797	237,797
<u>\$ (1,025,000)</u>	<u>\$ 829,027</u>	<u>\$ 1,854,027</u>	<u>\$ (18,937,047)</u>	<u>\$ 7,419,306</u>	<u>\$ 26,356,353</u>

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DEBT SERVICE FUND

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL DEBT SERVICE FUNDS
YEAR ENDED JUNE 30, 2018

	Debt Service		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 50,217	\$ 50,217
Property taxes		8,467,013	8,467,013
Federal aid, grants and reimbursements		228,968	228,968
Total revenues		<u>8,746,198</u>	<u>8,746,198</u>
Expenditures:			
Debt service -			
Principal retirement	5,560,000	5,560,000	
Interest and fiscal charges	1,720,000	2,759,022	(1,039,022)
Total expenditures	<u>7,280,000</u>	<u>8,319,022</u>	<u>(1,039,022)</u>
Excess (deficiency) of revenues over expenditures	<u>(7,280,000)</u>	<u>427,176</u>	<u>7,707,176</u>
Other financing sources (uses):			
Transfers in		170,278	170,278
Total other financing sources (uses)		<u>170,278</u>	<u>170,278</u>
Changes in fund balances	<u>(7,280,000)</u>	<u>597,454</u>	<u>7,877,454</u>
Fund balances, beginning of year		127,158	127,158
Fund balances (deficits), end of year	<u>\$ (7,280,000)</u>	<u>\$ 724,612</u>	<u>\$ 8,004,612</u>

CAPITAL PROJECTS FUNDS

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

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

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

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

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2018

	<u>Gifts and Donations - Capital</u>	<u>Building Renewal Grant</u>	<u>Totals</u>
<u>ASSETS</u>			
Cash and investments	\$ 1,018,708	\$ 495,714	\$ 1,514,422
Total assets	<u>\$ 1,018,708</u>	<u>\$ 495,714</u>	<u>\$ 1,514,422</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Fund balances:			
Restricted	\$ 1,018,708	\$ 495,714	\$ 1,514,422
Total fund balances	<u>1,018,708</u>	<u>495,714</u>	<u>1,514,422</u>
Total liabilities and fund balances	<u>\$ 1,018,708</u>	<u>\$ 495,714</u>	<u>\$ 1,514,422</u>

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2018

	Gifts and Donations - Capital	Building Renewal Grant	Totals
Revenues:			
Other local	\$ 266,555	\$ 10,905	\$ 277,460
State aid and grants		1,320	1,320
Total revenues	<u>266,555</u>	<u>12,225</u>	<u>278,780</u>
Expenditures:			
Capital outlay		1,302	1,302
Total expenditures		<u>1,302</u>	<u>1,302</u>
Changes in fund balances	<u>266,555</u>	<u>10,923</u>	<u>277,478</u>
Fund balances, beginning of year	752,153	484,791	1,236,944
Fund balances, end of year	<u>\$ 1,018,708</u>	<u>\$ 495,714</u>	<u>\$ 1,514,422</u>

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2018

	Unrestricted Capital Outlay		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 7,722	\$ 7,722
Property taxes		6,622	6,622
State aid and grants			
Total revenues		14,344	14,344
Expenditures:			
Capital outlay	3,465,578	2,344,441	1,121,137
Debt service -			
Interest and fiscal charges	258,397	258,397	
Debt issuance costs			
Total expenditures	3,723,975	2,602,838	1,121,137
Excess (deficiency) of revenues over expenditures	(3,723,975)	(2,588,494)	1,135,481
Other financing sources (uses):			
Transfers out			
Capital lease agreements			
Issuance of school improvement bonds			
Premium on sale of bonds			
Total other financing sources (uses)			
Changes in fund balances	(3,723,975)	(2,588,494)	1,135,481
Fund balances (deficits), beginning of year		(283,491)	(283,491)
Fund balances (deficits), end of year	\$ (3,723,975)	\$ (2,871,985)	\$ 851,990

<u>Bond Building</u>			<u>Gifts and Donations - Capital</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
\$	\$ 170,279	\$ 170,279	\$	\$ 266,555	\$ 266,555
	<u>170,279</u>	<u>170,279</u>		<u>266,555</u>	<u>266,555</u>
49,648,619	25,358,069	24,290,550	950,000		950,000
1,600,000	953,503	646,497			
<u>51,248,619</u>	<u>26,311,572</u>	<u>24,937,047</u>	<u>950,000</u>		<u>950,000</u>
<u>(51,248,619)</u>	<u>(26,141,293)</u>	<u>25,107,326</u>	<u>(950,000)</u>	<u>266,555</u>	<u>1,216,555</u>
	(170,278)	(170,278)			
	17,800,000	17,800,000			
	45,215,000	45,215,000			
	5,282,203	5,282,203			
	<u>68,126,925</u>	<u>68,126,925</u>			
<u>(51,248,619)</u>	<u>41,985,632</u>	<u>93,234,251</u>	<u>(950,000)</u>	<u>266,555</u>	<u>1,216,555</u>
	1,237,518	1,237,518		752,153	752,153
<u>\$ (51,248,619)</u>	<u>\$ 43,223,150</u>	<u>\$ 94,471,769</u>	<u>\$ (950,000)</u>	<u>\$ 1,018,708</u>	<u>\$ 1,968,708</u>

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QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2018

	Building Renewal Grant		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 10,905	\$ 10,905
Property taxes			
State aid and grants		1,320	1,320
Total revenues		12,225	12,225
Expenditures:			
Capital outlay	500,000	1,302	498,698
Debt service -			
Interest and fiscal charges			
Debt issuance costs			
Total expenditures	500,000	1,302	498,698
Excess (deficiency) of revenues over expenditures	(500,000)	10,923	510,923
Other financing sources (uses):			
Transfers out			
Capital lease agreements			
Issuance of school improvement bonds			
Premium on sale of bonds			
Total other financing sources (uses)			
Changes in fund balances	(500,000)	10,923	510,923
Fund balances (deficits), beginning of year		484,791	484,791
Fund balances (deficits), end of year	\$ (500,000)	\$ 495,714	\$ 995,714

New School Facilities			Totals		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	23,934,351	23,934,351		455,461	455,461
	23,934,351	23,934,351		6,622	6,622
				23,935,671	23,935,671
				24,397,754	24,397,754
29,700,860	20,215,202	9,485,658	84,265,057	47,919,014	36,346,043
			258,397	258,397	
			1,600,000	953,503	646,497
29,700,860	20,215,202	9,485,658	86,123,454	49,130,914	36,992,540
(29,700,860)	3,719,149	33,420,009	(86,123,454)	(24,733,160)	61,390,294
				(170,278)	(170,278)
				17,800,000	17,800,000
				45,215,000	45,215,000
				5,282,203	5,282,203
				68,126,925	68,126,925
(29,700,860)	3,719,149	33,420,009	(86,123,454)	43,393,765	129,517,219
	39	39		2,191,010	2,191,010
\$ (29,700,860)	\$ 3,719,188	\$ 33,420,048	\$ (86,123,454)	\$ 45,584,775	\$ 131,708,229

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AGENCY FUNDS

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

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2018

	<u>Student Activities</u>	<u>Employee Withholding</u>	<u>Totals</u>
<u>ASSETS</u>			
Cash and investments	\$ 149,325	\$ 530,711	\$ 680,036
Total assets	\$ 149,325	\$ 530,711	\$ 680,036
 <u>LIABILITIES</u>			
Deposits held for others	\$ 149,325	\$ 530,711	\$ 530,711
Due to student groups	149,325		149,325
Total liabilities	\$ 149,325	\$ 530,711	\$ 680,036

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 2018

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<u>STUDENT ACTIVITIES FUND</u>				
<u>Assets</u>				
Cash and investments	\$ 131,013	\$ 225,053	\$ 206,741	\$ 149,325
Total assets	<u>\$ 131,013</u>	<u>\$ 225,053</u>	<u>\$ 206,741</u>	<u>\$ 149,325</u>
<u>Liabilities</u>				
Due to student groups	\$ 131,013	\$ 225,053	\$ 206,741	\$ 149,325
Total liabilities	<u>\$ 131,013</u>	<u>\$ 225,053</u>	<u>\$ 206,741</u>	<u>\$ 149,325</u>
<u>EMPLOYEE WITHHOLDING FUND</u>				
<u>Assets</u>				
Cash and investments	\$ 572,327	\$ 929,328	\$ 970,944	\$ 530,711
Total assets	<u>\$ 572,327</u>	<u>\$ 929,328</u>	<u>\$ 970,944</u>	<u>\$ 530,711</u>
<u>Liabilities</u>				
Deposits held for others	\$ 572,327	\$ 929,328	\$ 970,944	\$ 530,711
Total liabilities	<u>\$ 572,327</u>	<u>\$ 929,328</u>	<u>\$ 970,944</u>	<u>\$ 530,711</u>
<u>TOTAL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash and investments	\$ 703,340	\$ 1,154,381	\$ 1,177,685	\$ 680,036
Total assets	<u>\$ 703,340</u>	<u>\$ 1,154,381</u>	<u>\$ 1,177,685</u>	<u>\$ 680,036</u>
<u>Liabilities</u>				
Deposits held for others	\$ 572,327	\$ 929,328	\$ 970,944	\$ 530,711
Due to student groups	131,013	225,053	206,741	149,325
Total liabilities	<u>\$ 703,340</u>	<u>\$ 1,154,381</u>	<u>\$ 1,177,685</u>	<u>\$ 680,036</u>

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STATISTICAL SECTION

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Net Position:					
Net investment in capital assets	\$ 88,451,254	\$ 68,032,347	\$ 67,464,476	\$ 67,906,920	\$ 67,572,100
Restricted	12,593,027	6,762,737	7,789,182	8,216,085	8,140,923
Unrestricted	<u>(21,854,421)</u>	<u>(24,014,887)</u>	<u>(26,810,714)</u>	<u>(28,122,455)</u>	<u>8,030,367</u>
Total net position	<u><u>\$ 79,189,860</u></u>	<u><u>\$ 50,780,197</u></u>	<u><u>\$ 48,442,944</u></u>	<u><u>\$ 48,000,550</u></u>	<u><u>\$ 83,743,390</u></u>
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Net Position:					
Net investment in capital assets	\$ 66,456,875	\$ 67,381,487	\$ 64,655,506	\$ 63,793,016	\$ 63,604,011
Restricted	7,392,501	8,991,884	9,285,149	7,940,465	8,130,887
Unrestricted	<u>8,501,459</u>	<u>8,042,657</u>	<u>8,340,009</u>	<u>14,372,858</u>	<u>7,126,370</u>
Total net position	<u><u>\$ 82,350,835</u></u>	<u><u>\$ 84,416,028</u></u>	<u><u>\$ 82,280,664</u></u>	<u><u>\$ 86,106,339</u></u>	<u><u>\$ 78,861,268</u></u>

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Expenses					
Instruction	\$ 33,710,073	\$ 29,917,103	\$ 22,987,109	\$ 21,666,500	\$ 20,654,350
Support services - students and staff	6,638,689	5,664,691	4,646,157	4,404,260	4,369,053
Support services - administration	6,109,880	5,437,447	5,244,747	4,380,787	4,358,965
Operation and maintenance of plant services	7,169,047	7,511,602	6,184,618	4,919,770	5,123,094
Student transportation services	3,949,889	3,432,255	2,783,146	2,636,950	2,521,520
Operation of non-instructional services	3,778,462	3,548,783	3,154,514	2,951,133	2,930,100
Interest on long-term debt	2,604,100	2,177,382	2,224,123	1,498,267	1,558,063
Total expenses	<u>63,960,140</u>	<u>57,689,263</u>	<u>47,224,414</u>	<u>42,457,667</u>	<u>41,515,145</u>
Program Revenues					
Charges for services:					
Instruction	1,470,085	1,691,980	2,035,229	2,733,807	1,794,820
Operation of non-instructional services	3,135,740	2,614,882	2,160,506	1,617,965	1,536,924
Other activities	881,744	1,447,783	684,177	512,476	649,180
Operating grants and contributions	5,079,024	4,149,858	4,063,862	3,654,413	3,597,355
Capital grants and contributions	24,441,346	318,513	137,386	140,600	60,313
Total program revenues	<u>35,007,939</u>	<u>10,223,016</u>	<u>9,081,160</u>	<u>8,659,261</u>	<u>7,638,592</u>
Net (Expense)/Revenue	<u>\$ (28,952,201)</u>	<u>\$ (47,466,247)</u>	<u>\$ (38,143,254)</u>	<u>\$ (33,798,406)</u>	<u>\$ (33,876,553)</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Expenses					
Instruction	\$ 21,870,474	\$ 22,806,535	\$ 25,469,481	\$ 22,463,400	\$ 23,824,526
Support services - students and staff	4,346,679	4,133,729	3,721,124	3,619,639	3,256,501
Support services - administration	4,913,962	4,039,139	4,078,970	3,774,973	3,495,391
Operation and maintenance of plant services	5,035,818	4,864,025	4,624,221	4,194,109	4,403,804
Student transportation services	3,173,951	2,572,302	2,759,707	2,537,094	2,794,472
Operation of non-instructional services	2,709,009	2,682,684	2,550,925	2,678,173	2,554,892
Interest on long-term debt	1,761,424	2,164,724	1,701,711	1,913,890	1,998,665
Total expenses	<u>43,811,317</u>	<u>43,263,138</u>	<u>44,906,139</u>	<u>41,181,278</u>	<u>42,328,251</u>
Program Revenues					
Charges for services:					
Instruction	1,346,885	2,157,197	1,156,518	2,935,950	4,653,737
Operation of non-instructional services	1,584,911	1,386,058	1,573,403	1,483,583	1,482,469
Other activities	336,430	281,990	241,334	182,577	102,244
Operating grants and contributions	3,364,968	3,464,539	5,457,717	3,834,782	3,064,025
Capital grants and contributions	63,496	946,245	188,495	91,108	53,382
Total program revenues	<u>6,696,690</u>	<u>8,236,029</u>	<u>8,617,467</u>	<u>8,528,000</u>	<u>9,355,857</u>
Net (Expense)/Revenue	<u>\$ (37,114,627)</u>	<u>\$ (35,027,109)</u>	<u>\$ (36,288,672)</u>	<u>\$ (32,653,278)</u>	<u>\$ (32,972,394)</u>

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

(Concluded)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Net (Expense)/Revenue	\$ (28,952,201)	\$ (47,466,247)	\$ (38,143,254)	\$ (33,798,406)	\$ (33,876,553)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	17,963,125	15,605,044	8,930,596	10,247,220	10,584,932
Property taxes, levied for debt service	8,490,567	6,648,963	5,770,984	5,700,845	5,730,234
Property taxes, levied for capital outlay		1,050,400	512,000		
Investment income	347,462	89,066	141,983	71,815	45,806
Unrestricted county aid	2,350,517	2,009,104	1,682,024	1,417,591	1,416,310
Unrestricted state aid	27,985,051	24,214,177	21,226,124	17,295,836	17,106,213
Unrestricted federal aid	217,585	186,746	321,937	219,315	220,733
Total general revenues	<u>57,354,307</u>	<u>49,803,500</u>	<u>38,585,648</u>	<u>34,952,622</u>	<u>35,104,228</u>
Changes in Net Position	<u>\$ 28,402,106</u>	<u>\$ 2,337,253</u>	<u>\$ 442,394</u>	<u>\$ 1,154,216</u>	<u>\$ 1,227,675</u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Net (Expense)/Revenue	\$ (37,114,627)	\$ (35,027,109)	\$ (36,288,672)	\$ (32,653,278)	\$ (32,972,394)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	10,556,181	10,378,153	8,709,558	11,630,814	8,937,858
Property taxes, levied for debt service	4,199,946	6,276,897	5,410,415	5,177,059	6,275,328
Property taxes, levied for capital outlay		641,685	3,087	571,512	1,941,941
Investment income	53,147	73,949	177,060	170,841	478,636
Unrestricted county aid	1,591,696	1,702,194	1,529,607	1,415,636	
Unrestricted state aid	17,704,187	17,913,050	16,233,632	18,536,624	19,402,889
Unrestricted federal aid	215,557	176,545	399,638	2,395,863	
Total general revenues	<u>34,320,714</u>	<u>37,162,473</u>	<u>32,462,997</u>	<u>39,898,349</u>	<u>37,036,652</u>
Changes in Net Position	<u>\$ (2,793,913)</u>	<u>\$ 2,135,364</u>	<u>\$ (3,825,675)</u>	<u>\$ 7,245,071</u>	<u>\$ 4,064,258</u>

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

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

(Concluded)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
General Fund:					
Nonspendable	\$ 52,583	\$	\$	\$	\$
Unassigned	11,691,357	6,552,857	4,205,429	3,325,992	3,176,035
Total General Fund	\$ 11,743,940	\$ 6,552,857	\$ 4,205,429	\$ 3,325,992	\$ 3,176,035
All Other Governmental Funds:					
Nonspendable	\$ 237,797	\$	\$	\$	\$
Restricted	55,393,077	7,725,540	13,669,536	28,811,078	9,101,089
Unassigned	(3,711,844)	(283,491)			
Total all other governmental funds	\$ 51,919,030	\$ 7,442,049	\$ 13,669,536	\$ 28,811,078	\$ 9,101,089

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
General Fund:					
Nonspendable	\$	\$	\$ 559,736	\$	\$
Unassigned	3,047,647	2,846,817	2,404,981		
Reserved				87,000	55,937
Unreserved				3,927,811	(672,589)
Total General Fund	<u>\$ 3,047,647</u>	<u>\$ 2,846,817</u>	<u>\$ 2,964,717</u>	<u>\$ 4,014,811</u>	<u>\$ (616,652)</u>
All Other Governmental Funds:					
Restricted	\$ 9,672,655	\$ 11,989,719	\$ 12,680,123	\$	\$
Reserved					11,835
Unreserved, reported in:					
Special revenue funds				3,656,758	2,449,993
Capital projects funds				11,675,723	7,392,665
Debt service fund				462,312	1,803,071
Total all other governmental funds	<u>\$ 9,664,987</u>	<u>\$ 11,989,719</u>	<u>\$ 12,680,123</u>	<u>\$ 15,794,793</u>	<u>\$ 11,657,564</u>

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

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

(Concluded)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Federal sources:					
Federal grants	\$ 2,692,918	\$ 2,880,135	\$ 2,768,021	\$ 2,903,742	\$ 2,629,031
National School Lunch Program	1,192,799	1,224,809	1,154,247	1,041,332	1,030,574
Total federal sources	<u>3,885,717</u>	<u>4,104,944</u>	<u>3,922,268</u>	<u>3,945,074</u>	<u>3,659,605</u>
State sources:					
State equalization assistance	24,715,708	21,432,068	18,483,931	15,319,025	15,098,589
State grants	643,163	148,188	143,336	97,627	101,206
School Facilities Board	23,946,576	482,000			
Other revenues	3,258,438	2,782,109	2,260,753	1,976,811	2,019,624
Total state sources	<u>52,563,885</u>	<u>24,844,365</u>	<u>20,888,020</u>	<u>17,393,463</u>	<u>17,219,419</u>
Local sources:					
Property taxes	26,439,562	23,283,719	15,934,620	16,018,678	16,301,657
County aid	2,350,517	2,009,104	1,690,024	1,425,591	1,416,310
Food service sales	1,507,368	1,349,650	1,223,319	1,078,537	1,060,613
Investment income	347,462	89,066	141,983	71,815	45,806
Other revenues	4,439,629	4,763,557	3,950,605	3,777,711	2,969,357
Total local sources	<u>35,084,538</u>	<u>31,495,096</u>	<u>22,940,551</u>	<u>22,372,332</u>	<u>21,793,743</u>
Total revenues	<u><u>\$ 91,534,140</u></u>	<u><u>\$ 60,444,405</u></u>	<u><u>\$ 47,750,839</u></u>	<u><u>\$ 43,710,869</u></u>	<u><u>\$ 42,672,767</u></u>

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Federal sources:					
Federal grants	\$ 2,768,592	\$ 3,248,936	\$ 2,621,250	\$ 2,607,013	\$ 1,657,165
State Fiscal Stabilization (ARRA)			206,352	2,395,863	
Education Jobs		14,078	917,233		
National School Lunch Program	800,212	1,134,123	997,948	965,022	744,955
Total federal sources	<u>3,568,804</u>	<u>4,397,137</u>	<u>4,742,783</u>	<u>5,967,898</u>	<u>2,402,120</u>
State sources:					
State equalization assistance	16,182,515	16,305,047	14,852,611	16,923,057	16,432,063
State grants	43,336	54,979	152,119	161,994	531,184
School Facilities Board					1,210,082
Other revenues	1,530,173	1,608,003	1,463,187	1,599,824	1,770,220
Total state sources	<u>17,756,024</u>	<u>17,968,029</u>	<u>16,467,917</u>	<u>18,684,875</u>	<u>19,943,549</u>
Local sources:					
Property taxes	14,967,942	17,497,504	14,206,124	16,929,326	16,272,129
County aid	1,591,696	1,702,194	1,529,607		
Food service sales	1,051,726	1,088,449	1,091,205	1,073,927	1,058,653
Investment income	46,693	72,190	172,801	148,371	478,635
Other revenues	2,239,880	2,870,045	3,036,913	3,682,622	5,361,622
Total local sources	<u>19,897,937</u>	<u>23,230,382</u>	<u>20,036,650</u>	<u>23,249,882</u>	<u>23,171,039</u>
Total revenues	<u>\$ 41,222,765</u>	<u>\$ 45,595,548</u>	<u>\$ 41,247,350</u>	<u>\$ 47,902,655</u>	<u>\$ 45,516,708</u>

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

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

(Concluded)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Expenditures:					
Current -					
Instruction	\$ 27,711,540	\$ 25,532,755	\$ 19,847,001	\$ 18,174,397	\$ 17,932,854
Support services - students and staff	6,350,834	5,278,891	4,510,556	4,307,473	4,316,787
Support services - administration	5,229,766	4,869,509	4,923,198	4,187,163	4,022,744
Operation and maintenance of plant services	6,276,082	6,677,151	5,506,637	4,749,390	4,965,295
Student transportation services	2,757,798	2,631,286	2,180,756	2,168,632	2,050,649
Operation of non-instructional services	3,749,415	3,379,390	3,095,858	2,885,476	2,856,920
Capital outlay	48,952,102	8,952,367	19,553,100	14,127,876	1,828,526
Debt service -					
Principal retirement	5,560,000	4,675,000	4,405,000	4,350,000	4,135,000
Interest, premium and fiscal charges	3,017,419	2,328,115	2,423,200	1,684,701	1,656,999
Bond issuance costs	953,503		94,630	506,050	
Total expenditures	<u><u>\$ 110,558,459</u></u>	<u><u>\$ 64,324,464</u></u>	<u><u>\$ 66,539,936</u></u>	<u><u>\$ 57,141,158</u></u>	<u><u>\$ 43,765,774</u></u>
Expenditures for capitalized assets	\$ 45,539,429	\$ 5,491,410	\$ 17,379,514	\$ 13,003,993	\$ 1,327,280
Debt service as a percentage of noncapital expenditures	12%	12%	14%	14%	14%

(Continued)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Expenditures:					
Current -					
Instruction	\$ 18,459,822	\$ 19,384,023	\$ 21,672,889	\$ 19,039,327	\$ 19,716,888
Support services - students and staff	4,336,151	3,944,558	3,278,062	3,362,298	3,191,127
Support services - administration	4,007,166	3,667,585	3,527,733	3,353,767	3,294,106
Operation and maintenance of plant services	4,790,304	4,662,920	4,354,014	3,961,052	3,858,567
Student transportation services	2,182,115	1,937,799	2,097,614	2,087,413	1,799,936
Operation of non-instructional services	2,598,476	2,599,139	2,415,905	2,553,279	2,518,427
Capital outlay	1,201,209	6,048,368	9,111,922	6,667,165	11,415,468
Debt service -					
Principal retirement	4,010,000	3,700,000	3,725,000	4,950,000	4,555,000
Interest, premium and fiscal charges	1,761,424	2,149,814	1,847,477	1,800,296	1,998,665
Bond issuance costs	83,541	83,000	217,566	287,507	
Total expenditures	<u>\$ 43,430,208</u>	<u>\$ 48,177,206</u>	<u>\$ 52,248,182</u>	<u>\$ 48,062,104</u>	<u>\$ 52,348,184</u>
Expenditures for capitalized assets	\$ 1,319,870	\$ 4,697,168	\$ 5,582,611	\$ 4,316,361	\$ 7,482,767
Debt service as a percentage of noncapital expenditures	14%	13%	12%	15%	15%

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

(Concluded)

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Excess (deficiency) of revenues over expenditures	\$ (19,024,319)	\$ (3,880,059)	\$ (18,789,097)	\$ (13,430,289)	\$ (1,093,007)
Other financing sources (uses):					
Refunding bonds issued				6,910,000	
Premium on sale of bonds	5,282,203		176,992	2,431,572	
Issuance of school improvement bonds	45,215,000		4,350,000	31,920,000	
Transfers in	303,599	114,965	272,096	1,252,491	112,895
Transfers out	(303,599)	(114,965)	(272,096)	(1,252,491)	(112,895)
Payment to refunded bond escrow agent				(7,682,567)	
Capital lease agreement	17,800,000				
Insurane recoveries	104,800				
Total other financing sources (uses)	<u>68,402,003</u>		<u>4,526,992</u>	<u>33,579,005</u>	
Changes in fund balances	<u>\$ 49,377,684</u>	<u>\$ (3,880,059)</u>	<u>\$ (14,262,105)</u>	<u>\$ 20,148,716</u>	<u>\$ (1,093,007)</u>
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Excess (deficiency) of revenues over expenditures	\$ (2,207,443)	\$ (2,581,658)	\$ (11,000,832)	\$ (159,449)	\$ (6,831,476)
Other financing sources (uses):					
General obligation bonds issued			6,000,000	8,735,000	
Refunding bonds issued	3,540,000		3,265,000		
Premium on sale of bonds	186,466	68,090	472,735	173,913	
Issuance of school improvement bonds		2,265,000			
Transfers in	111,403	72,156	283,868	85,297	628,833
Transfers out	(111,403)	(72,156)	(283,868)	(85,297)	(628,833)
Payment to refunded bond escrow agent	(3,642,925)		(3,374,403)		
Capital lease agreement					
Insurane recoveries					
Total other financing sources (uses)	<u>83,541</u>	<u>2,333,090</u>	<u>6,363,332</u>	<u>8,908,913</u>	
Changes in fund balances	<u>\$ (2,123,902)</u>	<u>\$ (248,568)</u>	<u>\$ (4,637,500)</u>	<u>\$ 8,749,464</u>	<u>\$ (6,831,476)</u>

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NET LIMITED ASSESSED VALUE AND FULL CASH VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Commercial, Industrial, Utilities and Mining	\$ 71,708,925	\$ 64,590,411	\$ 64,926,927	\$ 73,864,717	\$ 57,675,925
Agricultural and Vacant	45,997,143	39,730,509	41,424,711	34,194,728	26,027,364
Residential (Owner Occupied)	226,028,388	183,826,233	154,816,190	131,924,278	113,062,187
Residential (Rental)	51,006,633	46,476,500	41,737,053	34,578,223	23,486,322
Railroad, Private Cars and Airlines	1,615,876	1,560,000	1,704,669	1,815,687	1,616,615
Historical Property	350,255	394,845	4,055	4,480	4,836
Certain Government Property Improvements	278,900	292,778	183,045	113,698	6,649
Total	\$ 396,986,120	\$ 336,871,276	\$ 304,796,650	\$ 276,495,811	\$ 221,879,898
Gross Full Cash Value	\$ 5,056,731,948	\$ 4,499,321,946	\$ 3,819,516,923	\$ 2,885,566,249	\$ 2,324,966,663
Ratio of Net Limited Assessed Value to Gross Full Cash Value	8%	7%	8%	10%	10%
Total Direct Rate	7.57	8.04	6.17	6.55	8.16

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Commercial, Industrial, Utilities and Mining	\$ 58,281,451	\$ 54,028,195	\$ 88,766,599	\$ 75,633,908	\$ 44,609,743
Agricultural and Vacant	27,316,819	36,937,140	69,296,050	91,359,277	95,574,026
Residential (Owner Occupied)	123,504,137	132,839,571	158,559,882	178,707,953	153,724,855
Residential (Rental)	12,248,100	11,267,403	11,505,198	11,094,095	7,736,523
Railroad, Private Cars and Airlines	1,578,339	1,399,588	1,417,932	1,482,813	1,712,344
Historical Property	13,973	16,652	125,974	15,890	164,190
Certain Government Property Improvements	7,383	8,442			
Total	\$ 222,950,202	\$ 236,496,991	\$ 329,671,635	\$ 358,293,936	\$ 303,521,681
Gross Full Cash Value	\$ 2,320,598,230	\$ 2,469,456,868	\$ 3,352,358,177	\$ 3,994,336,170	\$ 3,654,128,107
Ratio of Net Limited Assessed Value to Gross Full Actual Value	10%	10%	10%	9%	8%
Total Direct Rate	7.61	7.43	4.92	5.01	5.46

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

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
NET FULL CASH ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Commercial, Industrial, Utilities and Mining	\$ 85,733,572	\$ 73,950,607	\$ 70,174,710	\$ 74,717,446	\$ 58,295,093
Agricultural and Vacant	75,187,562	70,739,886	62,335,654	41,192,781	29,093,255
Residential (Owner Occupied)	281,398,301	232,574,186	192,467,989	141,139,851	113,197,439
Residential (Rental)	65,361,953	60,099,917	53,248,366	37,584,674	23,564,342
Railroad, Private Cars and Airlines	1,887,203	1,671,670	1,737,728	1,832,955	1,632,133
Historical Property	350,255	394,845	4,055	4,480	4,836
Certain Government Property Improvements	350,060	362,858	198,514	114,781	6,649
Total	\$ 510,268,906	\$ 439,793,969	\$ 380,167,016	\$ 296,586,968	\$ 225,793,747
Gross Full Cash Value	\$ 5,056,731,948	\$ 4,499,321,946	\$ 3,819,516,923	\$ 2,885,566,249	\$ 2,324,966,663
Ratio of Net Full Assessed Value to Gross Full Cash Value	10%	10%	10%	10%	10%
Estimated Net Full Cash Value	4,323,468,341	3,676,852,065	3,076,717,612	2,331,775,756	1,733,257,753
Total Direct Rate	7.57	8.04	6.17	6.55	8.16

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Commercial, Industrial, Utilities and Mining	\$ 58,777,356	\$ 54,619,273	\$ 100,317,286	\$ 95,003,683	\$ 52,902,088
Agricultural and Vacant	29,777,660	38,598,304	81,369,826	136,014,540	145,968,032
Residential (Owner Occupied)	123,602,375	133,122,309	160,505,884	198,572,692	205,046,856
Residential (Rental)	12,256,867	11,293,783	11,747,623	12,369,076	10,262,306
Railroad, Private Cars and Airlines	1,608,835	1,564,406	1,696,824	1,753,649	1,935,255
Historical Property	13,973	16,652	125,974	15,890	
Total	\$ 226,044,449	\$ 239,223,169	\$ 355,763,417	\$ 443,729,530	\$ 416,278,727
Gross Full Cash Value	\$ 2,320,598,230	\$ 2,469,456,868	\$ 3,352,358,177	\$ 3,994,336,170	\$ 3,654,128,107
Ratio of Net Full Assessed Value to Gross Full Cash Value	10%	10%	11%	11%	11%
Estimated Net Full Cash Value	1,723,042,252	1,832,486,093	2,579,588,834	3,257,620,483	3,214,210,079
Total Direct Rate	7.61	7.43	4.92	5.01	5.46

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

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

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
PROPERTY TAX ASSESSMENT RATIOS
LAST TEN FISCAL YEARS**

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

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Commercial, Industrial, Utilities and Mining	20 %	20 %	21 %	22 %	23 %
Agricultural and Vacant	16	16	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	15	15	17	18	20

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

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

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Overlapping Rates							District Direct Rates		
	State Equalization	County	County Free Library	Flood Control District	Community College District	Fire District Assistance	East Valley Institute of Technology School District No. 401	Primary	Secondary	Total
	2018	0.49	1.40	0.06	0.18	1.41	0.01	0.05	4.16	3.41
2017	0.50	1.40	0.06	0.18	1.47	0.01	0.05	4.68	3.36	8.04
2016	0.51	1.36	0.06	0.16	1.49	0.01	0.05	4.28	1.89	6.17
2015	0.51	1.32	0.06	0.14	1.52	0.01	0.05	4.30	2.24	6.55
2014	0.51	1.28	0.04	0.14	1.53	0.01	0.05	4.89	3.27	8.16
2013	N/A	1.24	0.05	0.10	1.38	0.01	0.05	4.55	3.06	7.61
2012	N/A	1.24	0.05	0.18	1.21	0.01	0.05	3.84	3.59	7.43
2011	N/A	1.05	0.04	0.10	0.97	0.01	0.05	2.65	2.27	4.92
2010	N/A	0.99	0.04	0.14	0.88	0.01	0.05	3.27	1.74	5.01
2009	N/A	1.03	0.04	0.14	0.94	0.01	0.05	3.43	2.03	5.46

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

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

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<u>Taxpayer</u>	<u>2018</u>		<u>2009</u>	
	<u>Net Limited Assessed Valuation</u>	<u>Percentage of District's Net Limited Assessed Valuation</u>	<u>Net Full Cash Assessed Valuation</u>	<u>Percentage of District's Net Full Cash Assessed Valuation</u>
CMC Steel Arizona	\$ 14,047,740	3.54 %		%
VPQCM LLC	8,442,191	2.13		
TRW Vehicle Safety Systems Inc.	6,823,677	1.72	13,154,408	3.16
Fujifilm Electronic Materials USA Inc.	4,126,180	1.04	6,202,553	1.49
Queen Creek Summit LLC	3,715,210	0.94		
Commercial Metals Company	3,343,544	0.84		
William Lyon Homes Inc.	3,068,258	0.77		
Southwest Gas Corporation (T&D)	2,432,981	0.61		
Wal-Mart Stores, Inc.	2,305,764	0.58		
AFH EM LLC	2,302,724	0.58		
Pacific Proving LLC			12,446,734	2.99
Qwest Corporation			2,872,323	0.69
Pulte Home Corporation			8,658,598	2.08
DMB Mesa Proving Grounds LLC			27,932,303	6.71
QC Joint Venture LLC			3,913,020	0.94
Highland Ranch Construction			3,579,997	0.86
Jorde Management Group			3,288,602	0.79
Meridian LLC			2,664,184	0.64
Total	<u>\$ 50,608,269</u>	<u>12.75 %</u>	<u>\$ 84,712,722</u>	<u>20.35 %</u>

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

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

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Fiscal Years	Collected to the End of the Current Fiscal Year	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2018	\$ 30,235,963	\$ 28,358,336	93.79 %	\$	\$ 28,358,336	93.79 %
2017	27,111,702	25,475,272	93.96	1,628,590	27,103,862	99.97
2016	18,894,620	18,284,185	96.77	606,029	18,890,214	99.98
2015	18,389,795	16,792,339	91.31	1,593,108	18,385,447	99.98
2014	18,340,627	17,256,071	94.09	1,080,385	18,336,456	99.98
2013	17,252,220	16,212,703	93.97	1,037,849	17,250,552	99.99
2012	18,487,658	17,411,556	94.18	933,130	18,344,686	99.23
2011	16,435,235	14,149,430	86.09	2,283,631	16,433,061	99.99
2010	19,375,272	16,671,448	86.04	2,092,296	18,763,744	96.84
2009	18,712,204	16,518,212	88.28	2,027,862	18,546,074	99.11

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

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

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

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	General Obligation Bonds					Total Outstanding Debt				
	General Obligation Bonds	Less: Amounts Restricted for Principal	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Capital Leases	Total	Percentage of Estimated Actual Value	Per Capita	Percentage of Personal Income
2018	\$ 107,211,676	\$ 909,915	\$ 106,301,761	2.10 %	\$ 2,992	\$ 17,800,000	\$ 125,011,676	2.47 %	\$ 3,519	0.07 %
2017	62,232,220	401,873	61,830,347	1.37	1,846		62,232,220	1.38	1,858	0.03
2016	66,847,381	2,590,024	64,257,357	1.68	2,135		66,847,381	1.75	2,221	0.04
2015	66,928,894	1,271,482	65,657,412	2.28	2,225		66,928,894	2.32	2,268	0.05
2014	36,565,000	321,334	36,243,666	1.56	1,296		36,565,000	1.57	1,308	0.02
2013	40,575,000	83,507	40,491,493	1.74	1,538		40,575,000	1.75	1,541	0.03
2012	44,275,000	1,524,431	42,750,569	1.73	2,394		44,275,000	1.79	2,480	0.03
2011	42,010,000	665,359	41,344,641	1.23	2,315		42,010,000	1.25	2,353	0.03
2010	44,685,000	4,950,000	39,735,000	0.99	2,247		44,685,000	1.12	2,527	0.03
2009	40,505,000	4,555,000	35,950,000	0.98	2,115		40,505,000	1.11	2,383	0.03

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

QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2018

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to School District</u>	<u>Estimated Amount Applicable to School District</u>
Overlapping:			
State of Arizona	None	0.67%	None
Maricopa County	None	1.04	None
Maricopa County Community College District	\$ 445,570,000	1.04	\$ 4,633,928
Maricopa County Special Health Care District (MIHS)	\$ 112,000,000	1.04	1,164,800
City of Mesa	374,755,000	3.99	14,952,725
Town of Queen Creek	None	80.54	None
Eastmark Community Facilities District	17,610,000	100.00	<u>17,610,000</u>
Subtotal, Overlapping Debt			<u>38,361,453</u>
Direct:			
Queen Creek Unified School District No. 95			<u>125,011,676</u>
Total Direct and Overlapping Debt			<u><u>\$ 163,373,129</u></u>

DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation		26.78 %
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 4,072	
As a Percentage of Net Limited Assessed Valuation		36.44 %
As a Percentage of Gross Full Cash Value		2.86 %

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

- Note:** 1) Estimated percentage of debt outstanding applicable to the District is calculated based on a portion of the District's net limited assessed valuation as a percentage of the net limited assessed valuation of the overlapping jurisdiction.
- 2) Outstanding debt as of June 30, 2017 is presented for the overlapping governments as this is the most recent available information.

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

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

Net full cash assessed valuation	\$ 510,268,906
Debt limit (20% of assessed value)	102,053,781
Debt applicable to limit	<u>102,049,372</u>
Legal debt margin	<u><u>\$ 4,409</u></u>

Total Legal Debt Margin Calculation for Fiscal Year 2018:

Net full cash assessed valuation	\$ 510,268,906
Debt limit (30% of assessed value)	153,080,672
Debt applicable to limit	<u>102,049,372</u>
Legal debt margin	<u><u>\$ 51,031,300</u></u>

Fiscal Year Ended June 30

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Debt Limit	\$ 153,080,672	\$ 131,938,191	\$ 114,050,105	\$ 88,976,090	\$ 67,738,124
Total net debt applicable to limit	<u>102,049,372</u>	<u>59,945,000</u>	<u>64,350,000</u>	<u>64,350,000</u>	<u>36,565,000</u>
Legal debt margin	<u><u>\$ 51,031,300</u></u>	<u><u>\$ 71,993,191</u></u>	<u><u>\$ 49,700,105</u></u>	<u><u>\$ 24,626,090</u></u>	<u><u>\$ 31,173,124</u></u>
Total net debt applicable to the limit as a percentage of debt limit	67%	45%	56%	72%	54%

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Debt Limit	\$ 67,813,335	\$ 71,766,951	\$ 106,729,025	\$ 133,118,859	\$ 124,883,618
Total net debt applicable to limit	<u>40,575,000</u>	<u>44,275,000</u>	<u>42,010,000</u>	<u>44,685,000</u>	<u>40,505,000</u>
Legal debt margin	<u><u>\$ 27,238,335</u></u>	<u><u>\$ 27,491,951</u></u>	<u><u>\$ 64,719,025</u></u>	<u><u>\$ 88,433,859</u></u>	<u><u>\$ 84,378,618</u></u>
Total net debt applicable to the limit as a percentage of debt limit	60%	62%	39%	34%	32%

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.

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS**

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands)</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>	<u>Estimated District Population</u>
2017	4,221,684	\$ 196,286,191	\$ 45,573	4.2 %	35,524
2016	4,137,076	185,111,698	43,628	4.5	35,524
2015	4,076,438	184,784,917	42,092	5.5	33,492
2014	4,087,191	168,483,421	41,222	5.9	30,100
2013	4,009,412	147,700,000	27,552	6.2	29,510
2012	3,942,169	147,374,500	39,300	9.1	27,963
2011	3,843,370	142,864,275	37,352	8.4	26,329
2010	3,817,117	142,091,618	35,319	9.1	17,856
2009	4,023,132	147,122,078	37,168	8.3	17,856
2008	3,987,942	139,665,253	36,135	5.1	17,680

Sources: The source of the "Personal Income" and "Per Capita" information is the Bureau of Economic Analysis.

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

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<u>Employer</u>	<u>2018</u>		<u>2009</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Queen Creek Unified School District	560	23.93 %	659	36.7 %
American Leadership Academy	500	21.37		
Walmart	300	12.82	277	15.4
Community Center, Inc.	180	7.69		
Target Stores, Inc.	180	7.69	174	9.7
Home Depot	160	6.84	129	7.2
Town of Queen Creek	145	6.20	217	12.1
Kohl's	125	5.34		
Benjamin Franklin Charter School, Ltd.	100	4.27		
Fas Fae-Will Gramont Joint Venture	90	3.85		
Canyon State Academy			208	11.6
Bashas			72	4.0
Alliance Lumber			20	1.1
Paradise Bakery			39	2.2
Total	<u>2,340</u>	<u>100.00 %</u>	<u>1,795</u>	<u>100.0 %</u>
Total employment	<u>2,340</u>		<u>1,795</u>	

Source: The source of this information is Hoover's Inc., a D&B Company.

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS**

	Full-time Equivalent Employees as of June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Supervisory					
Consultants/supervisors of instruction	6	5	7	11	10
Principals	8	8	7	7	7
Assistant principals	6	5	4	4	3
Total supervisory	<u>20</u>	<u>18</u>	<u>18</u>	<u>22</u>	<u>20</u>
Instruction					
Teachers	365	320	277	245	257
Other professionals (instructional)	12	9	5	5	5
Aides	68	61	69	80	62
Total instruction	<u>445</u>	<u>390</u>	<u>351</u>	<u>330</u>	<u>324</u>
Student Services					
Librarians	1	1	1	1	1
Technicians	7	4	1	1	1
Guidance counselors	13	8	8	8	8
Other professionals (noninstructional)	49	52	40	33	28
Total student services	<u>70</u>	<u>65</u>	<u>50</u>	<u>43</u>	<u>38</u>
Support and Administration					
Clerical workers	72	70	87	153	139
Unskilled laborers	129	113	84	82	94
Total support and administration	<u>201</u>	<u>183</u>	<u>171</u>	<u>235</u>	<u>233</u>
Total	<u><u>736</u></u>	<u><u>656</u></u>	<u><u>590</u></u>	<u><u>630</u></u>	<u><u>615</u></u>

(Continued)

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS**

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Supervisory					
Consultants/supervisors of instruction	10	9	4	4	4
Principals	7	6	7	7	7
Assistant principals	4	4	8	5	5
Total supervisory	<u>21</u>	<u>19</u>	<u>19</u>	<u>16</u>	<u>16</u>
Instruction					
Teachers	265	261	262	277	269
Other professionals (instructional)	4	7	3	1	
Aides	60	65	70	75	72
Total instruction	<u>329</u>	<u>333</u>	<u>335</u>	<u>353</u>	<u>341</u>
Student Services					
Librarians	1	1	1	1	1
Technicians	1	1	1	1	
Guidance counselors	8	13	7	9	10
Other professionals (noninstructional)	27	23	22	18	17
Total student services	<u>37</u>	<u>38</u>	<u>31</u>	<u>29</u>	<u>28</u>
Support and Administration					
Clerical workers	143	134	124	91	88
Unskilled laborers	86	80	83	98	109
Total support and administration	<u>229</u>	<u>214</u>	<u>207</u>	<u>189</u>	<u>197</u>
Total	<u><u>616</u></u>	<u><u>604</u></u>	<u><u>592</u></u>	<u><u>587</u></u>	<u><u>582</u></u>

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

(Concluded)

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Average Daily Membership	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Free/Reduced Students
2018	6,902	\$ 52,075,435	\$ 7,546	(1.63) %	\$ 63,960,140	\$ 9,268	1.30 %	365	18.9	26.6 %
2017	6,306	48,368,982	7,671	6.80	57,689,263	9,149	8.06	320	19.7	28.0
2016	5,578	40,064,006	7,183	(1.10)	47,224,414	8,466	0.14	277	20.1	36.6
2015	5,022	36,472,531	7,263	(2.43)	42,457,667	8,454	(1.11)	245	20.5	27.0
2014	4,856	36,145,249	7,443	(2.12)	41,515,145	8,549	(6.67)	257	18.9	32.0
2013	4,783	36,374,034	7,605	5.26	43,811,317	9,160	6.07	265	18.0	28.1
2012	5,010	36,196,024	7,225	(0.41)	43,263,138	8,635	(1.01)	261	19.2	28.7
2011	5,148	37,346,217	7,255	10.58	44,906,139	8,723	10.93	262	19.6	33.0
2010	5,237	34,357,136	6,560	(1.19)	41,181,278	7,864	(3.81)	277	18.9	32.0
2009	5,178	34,379,051	6,639	99.73	42,328,251	8,175	(28.35)	269	19.2	23.4

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

- Notes:** 1) Operating expenditures are total expenditures less debt service and capital outlay.
2) N/A indicates that the information is not available.

**QUEEN CREEK UNIFIED SCHOOL DISTRICT NO. 95
CAPITAL ASSETS INFORMATION
LAST TEN FISCAL YEARS**

	Fiscal Year Ended June 30									
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Schools										
Elementary										
Buildings	5	5	5	4	4	4	4	4	4	4
Square feet	287,363	287,363	343,214	254,144	254,144	254,144	254,144	254,144	254,144	252,817
Capacity	3,968	3,968	4,076	3,176	3,176	3,176	3,176	3,176	3,176	3,160
Enrollment	3,633	3,717	2,747	2,185	2,241	1,806	2,205	2,029	2,647	2,256
Middle										
Buildings	2	2	2	2	2	2	2	2	2	2
Square feet	209,461	209,461	231,564	241,261	241,261	241,261	241,261	241,261	241,261	241,261
Capacity	2,306	2,306	2,507	1,993	1,993	1,993	1,993	1,993	1,993	1,993
Enrollment	1,486	1,283	1,216	1,602	1,646	1,468	1,502	1,542	1,165	1,150
High										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	235,010	235,010	237,380	241,571	241,571	241,571	239,201	239,201	239,201	239,201
Capacity	2,169	2,169	1,975	1,993	1,993	1,993	1,993	1,993	1,993	1,993
Enrollment	2,117	2,074	1,900	1,796	1,891	1,674	1,581	1,679	1,694	1,750

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