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# **DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**

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## **Comprehensive Annual Financial Report**

Fiscal Year Ended June 30, 2020



**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**

**PHOENIX, ARIZONA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Issued by:  
Fiscal Services Department

# DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97

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## **INTRODUCTORY SECTION**



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**DEER VALLEY**  
*Unified School District*

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Phoenix, AZ 85027  
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623.445.5086 Fax  
www.dvUSD.org

December 16, 2020

Citizens and Governing Board  
Deer Valley Unified School District No. 97

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 of America by a certified public accounting firm licensed in the State of Arizona. Pursuant to the requirement, we hereby issue the comprehensive annual financial report of the Deer Valley Unified School District No. 97 (District) for the fiscal year ended June 30, 2020.

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, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; 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, 2020, 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.

**SUPERINTENDENT**  
Curtis Finch, PhD

**GOVERNING BOARD**  
Jenny Frank  
Ann O'Brien  
Ann Elizabeth Ordway  
Julie Read  
Darcy Tweedy

*Graduating lifelong learners who will successfully compete, lead, and positively impact the world.*

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 audited 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 kindergarten through grade twelve, with an estimated enrollment of 34,000 students.

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

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

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

Deer Valley Unified School District No. 97 covers 367 square miles in northern Maricopa County, Arizona. It is the sixth largest school district in the state and has 38 schools. The average age of school buildings is 30 years. The 2019-20 average daily membership was 32,257, a decrease of 1.0 percent compared to the previous school year. The District employed 2,210 certified personnel and 1,539 support personnel during the fiscal year.

The District's assessed valuation used to establish the fiscal year 2020 tax rate increased by 7.2 percent, the sixth year in a row that the assessed valuation has increased. The District continues to have above-average income and expects growth in the near future.

In the District, our community has declared its expectations of high standards and hard work for the District's students and its 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. The District's students score above the state means on AzMERIT tests in English language arts and math in every grade.

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

The expenditure budget is prepared by fund for all Governmental Funds, and includes function and object code detail for the General 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 City of Phoenix is the capital and largest city of Arizona and is the county seat as well. Phoenix was founded in 1870 and incorporated in 1881. The city encompasses an area of over 500 square miles. Phoenix is the fifth most populous city in the United States with a 2020 population estimate of 1,697,700. The Phoenix metropolitan area is the population and economic activity center of the entire state. Phoenix is one of the leaders in the economics of the Southwestern area of the United States. It enjoys a highly diversified economic base consisting of manufacturing, agriculture, tourism, construction, education, distribution centers, finance and retailing.

The Phoenix metropolitan area still includes major employers such as Honeywell International, Inc., Banner Health Systems, Wal-Mart Stores, Inc., Wells Fargo Company and Fry's Food & Drug.

In addition, the metropolitan area provides excellent educational and training opportunities through ten 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 15<sup>th</sup> in land area. The County's 2020 population was estimated at 4.5 million and is expected to reach 6 million by 2030. Maricopa County has a very wide range of economic sectors supporting it, and for some time, the County enjoyed an unemployment rate that was somewhat lower than the national average.

Service is the largest employment sector in the County, partly fueled by the tourist industry. The County has excellent accommodations, diverse cultural and recreational activities, and a favorable climate attracting millions to the area annually. Wholesale and retail trade is the second largest employment category, employing over a quarter million people.

Manufacturing consisting primarily of high technology companies is the third largest employer. Other factors aiding economic growth include major expansions of the international airport serving the area, a favorable business climate and the presence of a well-developed and expanding transportation infrastructure.

**Long-term Financial Planning.** The Deer Valley Unified School District No. 97 experienced a slight decrease in student count during 2019-20. A decrease in student count of approximately five percent is expected in 2020-21 due to the COVID-19 pandemic.

In November 2019, a 15% override increase to the M&O budget was approved and will be effect from 2020-21 through 2024-25.

A bond election was passed in November 2019 for \$175,000,000. The proceeds will be used for the following purposes:

- capital improvements to existing facilities, often referred to as building renewal
- safety and security enhancements including installations of camera systems on campuses
- conservation measures and energy efficiency projects
- replace and air condition school buses to provide adequate and safe bus fleet for students and replace campus support vehicles
- technology improvements to enhance learning opportunities
- new construction to accommodate student growth
- furniture, fixtures and equipment

## AWARDS AND ACKNOWLEDGMENTS

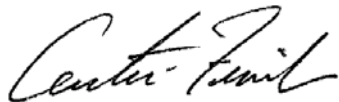
**Awards.** The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2019. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2019. In order to be awarded these certificates, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

These certificates are valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the programs' requirements and we are submitting it to ASBO and GFOA to determine its eligibility for the fiscal year ended June 30, 2020 certificates.

**Acknowledgments.** The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the fiscal services 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. Curtis Finch  
Superintendent



Heather Mock  
Director of Finance



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

**Deer Valley Unified School District No. 97**

**for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2019.**

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



A handwritten signature in black ink, reading 'Claire Hertz'.

**Claire Hertz, SFO**  
President

A handwritten signature in black ink, reading 'David J. Lewis'.

**David J. Lewis**  
Executive Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Deer Valley Unified School  
District No. 97, Arizona**

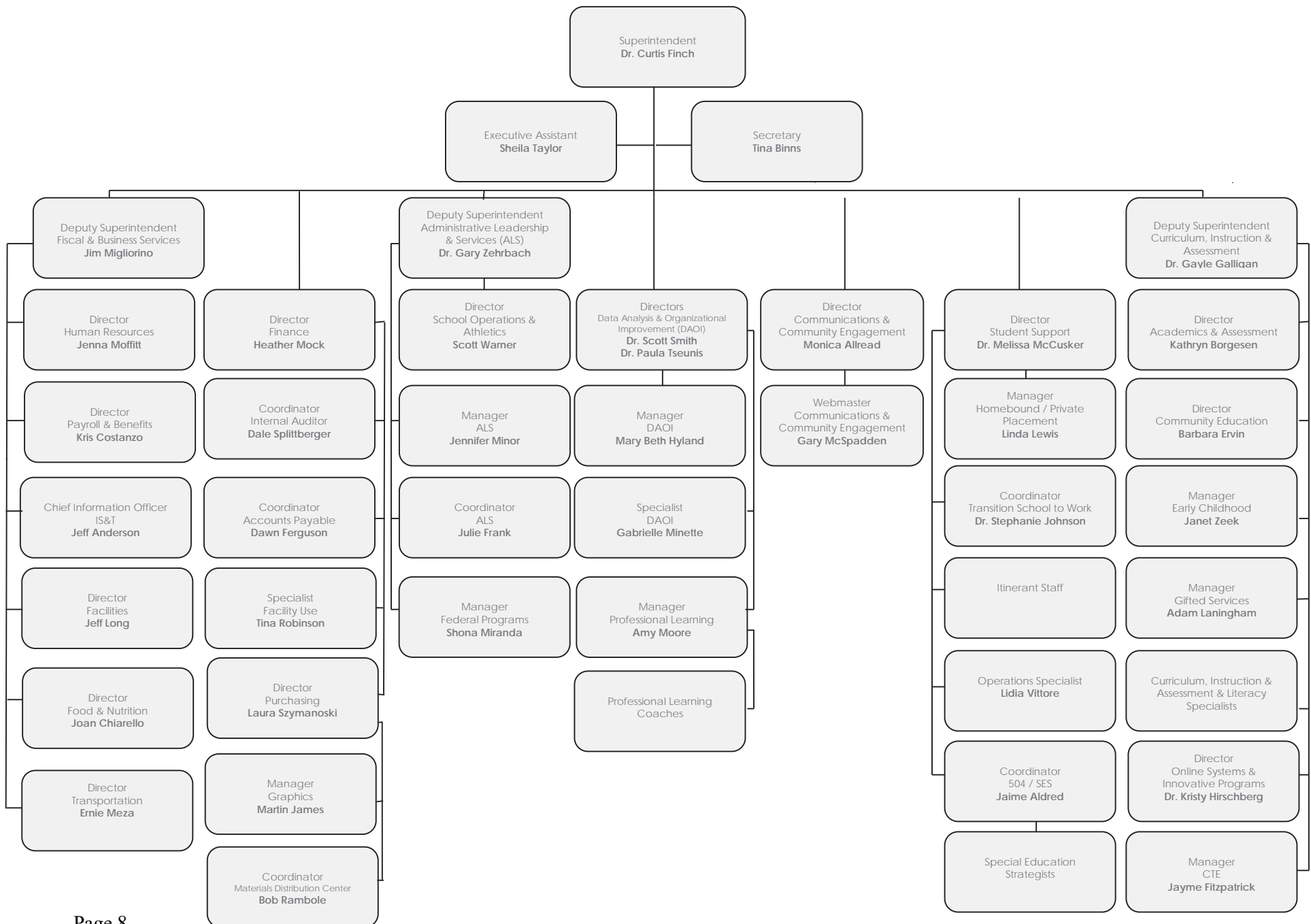
For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morill*

Executive Director/CEO





**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**

**LIST OF PRINCIPAL OFFICIALS**

**GOVERNING BOARD**

Ann Elizabeth Ordway, President

Jenny Frank, Vice-President

Darcy Tweedy, Member

Ann O'Brien, Member

Julie Read, Member

**ADMINISTRATIVE STAFF**

Dr. Curtis Finch, Superintendent

Jim Migliorino, Deputy Superintendent of Fiscal & Business Services

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## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

Governing Board  
Deer Valley Unified School District No. 97

### **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 Deer Valley Unified School District No. 97 (District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

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

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Deer Valley Unified School District No. 97, as of June 30, 2020, 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. 84, *Fiduciary Activities*, for the year ended June 30, 2020, 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, pension liability information, and other post employment benefit information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

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

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

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

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2020, on our consideration of Deer Valley Unified School District No. 97's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Deer Valley Unified School District No. 97's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Deer Valley Unified School District No. 97's internal control over financial reporting and compliance.

*Heinfeld Meech & Co. PC*

Heinfeld, Meech & Co., P.C.  
Phoenix, Arizona  
December 16, 2020

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



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**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2020**

As management of the Deer Valley Unified School District No. 97 (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, 2020. 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 decreased \$98,664 which is not a significant change.
- General revenues accounted for \$289.0 million in revenue, or 85 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$52.2 million or 15 percent of total current fiscal year revenues.
- The District had approximately \$341.3 million in expenses related to governmental activities, an increase of 17 percent from the prior fiscal year.
- Among major funds, the General Fund had \$239.3 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$230.4 million in expenditures. The General Fund's fund balance increase from \$20.1 million at the prior fiscal year end to \$30.3 million at the end of the current fiscal year was primarily due to an increase in state equalization assistance due to the base level increase in the per-pupil funding amount.

**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.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2020**

**OVERVIEW OF FINANCIAL STATEMENTS**

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

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

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

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

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are reported as governmental funds.

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

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2020**

## **OVERVIEW OF FINANCIAL STATEMENTS**

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

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

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

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget process and pension plan. The District adopts an annual expenditure budget for all governmental funds. A schedule of revenues, expenditures and changes in fund balances – budget and actual has been provided for the General Fund 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 \$48.4 million at the current fiscal year end.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2020**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

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

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2020 and June 30, 2019.

	As of June 30, 2020	As of June 30, 2019
Current and other assets	\$ 202,275,156	\$ 173,579,616
Capital assets, net	427,161,300	413,554,874
Total assets	<u>629,436,456</u>	<u>587,134,490</u>
Deferred outflows	<u>34,390,460</u>	<u>39,568,312</u>
Current and other liabilities	55,822,170	26,529,721
Long-term liabilities	539,561,947	522,026,661
Total liabilities	<u>595,384,117</u>	<u>548,556,382</u>
Deferred inflows	<u>20,064,164</u>	<u>32,315,870</u>
Net position:		
Net investment in capital assets	221,874,621	218,568,375
Restricted	35,255,994	32,596,530
Unrestricted	(208,751,980)	(205,334,355)
Total net position	<u>\$ 48,378,635</u>	<u>\$ 45,830,550</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 \$208.8 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.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2020**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

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

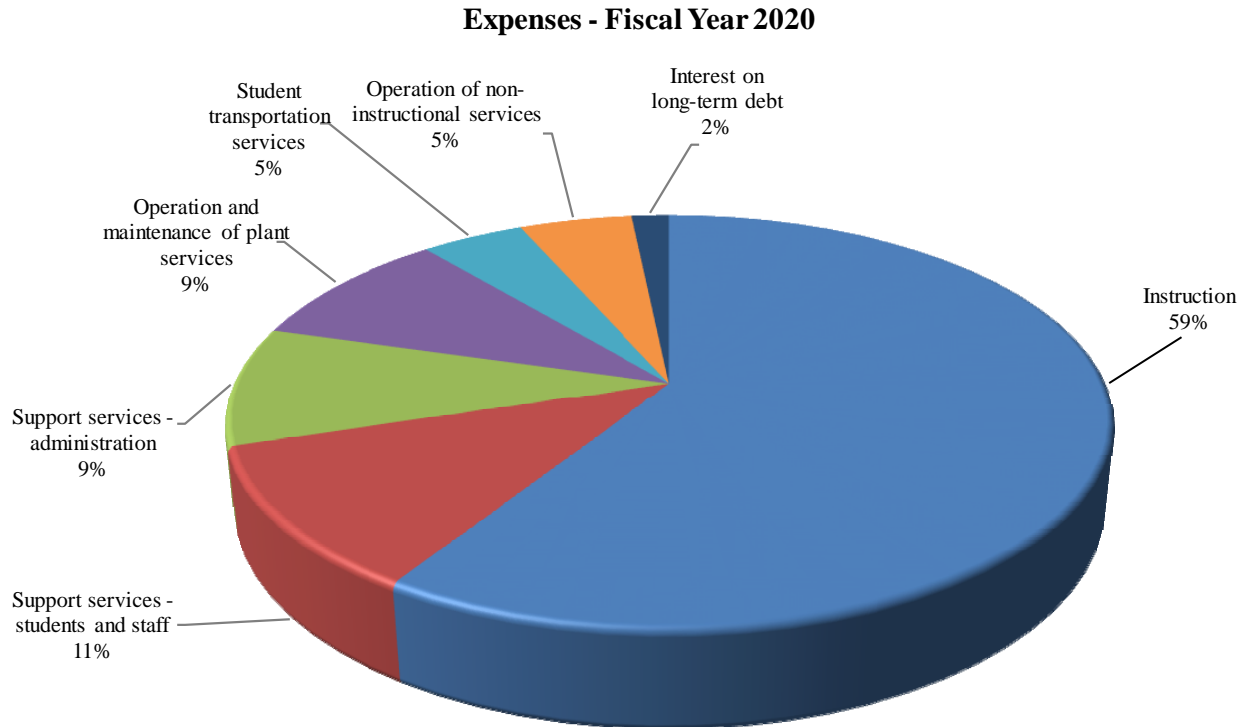
- The principal retirement of \$33.4 million of bonds.
- The issuance of \$33.5 million in school improvement bonds and \$6.8 million of associated premium.
- The addition of \$28.2 million in capital assets.
- An increase in the net pension liability of \$12.7 million.

**Changes in net position.** The District's total revenues for the current fiscal year were \$341.2 million. The total cost of all programs and services was \$341.3 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2020 and June 30, 2019.

	Fiscal Year Ended June 30, 2020	Fiscal Year Ended June 30, 2019
<b>Revenues:</b>		
Program revenues:		
Charges for services	\$ 20,593,683	\$ 20,881,985
Operating grants and contributions	28,229,902	28,135,537
Capital grants and contributions	3,415,904	742,737
General revenues:		
Property taxes	142,900,448	145,084,276
Investment income	2,918,428	1,566,767
Unrestricted county aid	9,629,836	8,145,068
Unrestricted state aid	130,929,138	119,510,156
Unrestricted federal aid	2,602,855	2,372,216
<b>Total revenues</b>	<u>341,220,194</u>	<u>326,438,742</u>
<b>Expenses:</b>		
Instruction	201,233,455	173,105,599
Support services - students and staff	38,365,885	31,494,939
Support services - administration	31,822,791	26,769,402
Operation and maintenance of plant services	32,154,496	29,026,298
Student transportation services	15,291,490	13,324,534
Operation of non-instructional services	16,913,931	13,687,783
Interest on long-term debt	5,536,810	5,384,020
<b>Total expenses</b>	<u>341,318,858</u>	<u>292,792,575</u>
<b>Changes in net position</b>	(98,664)	33,646,167
<b>Net position, beginning, as restated</b>	48,477,299	12,184,383
<b>Net position, ending</b>	<u>\$ 48,378,635</u>	<u>\$ 45,830,550</u>

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2020**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**



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

- Unrestricted state aid increased \$11.4 million primarily due to an increase in state equalization assistance due to the base level increase in the per-pupil funding amount.
- Instruction expenses increased \$28.1 million primarily as a result of compensation increases awarded to teachers and other instructional staff.

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.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2020**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

	Year Ended June 30, 2020		Year Ended June 30, 2019	
	Total Expenses	Net (Expense)/ Revenue	Total Expenses	Net (Expense)/ Revenue
Instruction	\$ 201,233,455	\$(175,452,788)	\$ 173,105,599	\$(145,654,272)
Support services - students and staff	38,365,885	(31,720,811)	31,494,939	(26,405,196)
Support services - administration	31,822,791	(30,801,671)	26,769,402	(25,765,002)
Operation and maintenance of plant services	32,154,496	(29,669,121)	29,026,298	(27,188,408)
Student transportation services	15,291,490	(15,261,035)	13,324,534	(13,324,534)
Operation of non-instructional services	16,913,931	(659,731)	13,687,783	554,866
Interest on long-term debt	5,536,810	(5,514,212)	5,384,020	(5,249,770)
Total	<u>\$ 341,318,858</u>	<u>\$(289,079,369)</u>	<u>\$ 292,792,575</u>	<u>\$(243,032,316)</u>

- The cost of all governmental activities this year was \$341.3 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$52.2 million.
- Net cost of governmental activities of \$289.1 million was financed by general revenues, which are made up of primarily property taxes of \$142.9 million and state and county aid of \$140.6 million. Investment earnings accounted for \$2.9 million of funding.

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

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

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$110.3 million, an increase of \$7.6 million due primarily to an increase in state equalization assistance due to the base level increase in the per-pupil funding amount.



**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2020**

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

The General Fund comprises 27 percent of the total fund balance. Approximately \$27.6 million, or 91 percent of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District which had an increase in fund balance of \$9.5 million to \$30.3 million as of fiscal year end. General Fund revenues increased \$16.0 million, or 7.2 percent primarily due to an increase in state equalization assistance. General Fund expenditures increased \$9.5 million, or 4.3 percent primarily due to compensation increases for teachers and staff members.

Fund balance in the Debt Service Fund increased \$528,379 primarily due to revenues and transfers in exceeding debt payments.

Fund balance in the Bond Building fund decreased \$6.0 million as a result of capital expenditures for the construction of a new school.

**BUDGETARY HIGHLIGHTS**

Over the course of the year, the District revised the General Fund annual expenditure budget. The difference between the original budget and the final amended budget was an increase of \$4.7 million or two percent.

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

- The favorable variance of \$11.5 million in instruction was mainly due to a planned budget carryforward amount. This amount was included in the instruction budget category.
- The favorable variance of \$1.6 million in support services-administration was mainly due to the COVID-19 shutdown of schools. Savings were mainly realized in utilities and custodial supplies.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2020**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** At year end, the District had invested \$702.2 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$27.8 million from the prior fiscal year primarily due to construction of a new school. Total depreciation expense for the current fiscal year was \$14.4 million.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2020 and June 30, 2019.

	As of June 30, 2020	As of June 30, 2019
Capital assets - non-depreciable	\$ 73,608,475	\$ 54,505,734
Capital assets - depreciable, net	353,552,825	359,049,140
Total	<u>\$ 427,161,300</u>	<u>\$ 413,554,874</u>

The estimated cost to complete current construction projects is \$2.9 million.

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

**Debt Administration.** At year-end, the District had \$255.0 million in long-term debt outstanding, \$32.8 million due within one year. Long-term debt increased by \$3.8 million.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 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 \$1.0 billion and the Class B debt limit is \$699.3 million, which are more than the District's total outstanding general obligation and Class B debt, respectively. The District currently maintains a bond rating of AA+ from Fitch Ratings and AA+ from Standard and Poor's.

Additional information on the District's long-term debt can be found in Notes 9 and 10.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2020**

**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 2020-21 budget. Among them:

- Fiscal year 2019-20 budget balance carry forward (estimated \$4.3 million).
- District student population (estimated 34,000).

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

Budgeted expenditures in the General Fund increased 3.5 percent to \$237.4 million in fiscal year 2020-21 due to the base level increase in the per-pupil funding amount. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2020-21 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 Fiscal Services Department, Deer Valley Unified School District No. 97, 20402 North 15<sup>th</sup> Avenue, Phoenix, Arizona 85027-3636.

## **BASIC FINANCIAL STATEMENTS**

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## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

	Governmental Activities
<b><u>ASSETS</u></b>	
Current assets:	
Cash and investments	\$ 164,580,247
Property taxes receivable	2,601,605
Due from governmental entities	33,630,204
Inventory	1,463,100
Total current assets	<u>202,275,156</u>
Noncurrent assets:	
Capital assets not being depreciated	73,608,475
Capital assets, net of accumulated depreciation	353,552,825
Total noncurrent assets	<u>427,161,300</u>
<b>Total assets</b>	<u><u>629,436,456</u></u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>	
Deferred charge on refunding	1,032,855
Pension and other postemployment benefit plan items	33,357,605
<b>Total deferred outflows of resources</b>	<u><u>34,390,460</u></u>
<b><u>LIABILITIES</u></b>	
Current liabilities:	
Accounts payable	2,474,560
Construction contracts payable	2,893,233
Credit line payable	5,321,000
Accrued payroll and employee benefits	3,018,756
Compensated absences payable	1,750,000
Accrued interest payable	4,713,097
Unearned revenues	401,524
Bonds payable	32,800,000
Tax anticipation notes payable	37,000,000
Total current liabilities	<u>90,372,170</u>
Noncurrent liabilities:	
Non-current portion of long-term obligations	505,011,947
Total noncurrent liabilities	<u>505,011,947</u>
<b>Total liabilities</b>	<u><u>595,384,117</u></u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>	
Pension and other postemployment benefit plan items	<u>20,064,164</u>
<b><u>NET POSITION</u></b>	
Net investment in capital assets	221,874,621
Restricted	35,255,994
Unrestricted	(208,751,980)
<b>Total net position</b>	<u><u>\$ 48,378,635</u></u>

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

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2020**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental activities:</b>					
Instruction	\$ 201,233,455	\$ 9,088,418	\$ 13,634,727	\$ 3,057,522	\$ (175,452,788)
Support services - students and staff	38,365,885	348,414	6,296,660		(31,720,811)
Support services - administration	31,822,791	648,402	372,718		(30,801,671)
Operation and maintenance of plant services	32,154,496	1,376,103	750,890	358,382	(29,669,121)
Student transportation services	15,291,490		30,455		(15,261,035)
Operation of non-instructional services	16,913,931	9,132,346	7,121,854		(659,731)
Interest on long-term debt	5,536,810		22,598		(5,514,212)
<b>Total governmental activities</b>	<u>\$ 341,318,858</u>	<u>\$ 20,593,683</u>	<u>\$ 28,229,902</u>	<u>\$ 3,415,904</u>	<u>(289,079,369)</u>

**General revenues:**

Taxes:

Property taxes, levied for general purposes	96,170,390
Property taxes, levied for debt service	40,315,737
Property taxes, levied for capital outlay	6,414,321
Investment income	2,918,428
Unrestricted county aid	9,629,836
Unrestricted state aid	130,929,138
Unrestricted federal aid	2,602,855
<b>Total general revenues</b>	<u>288,980,705</u>

**Changes in net position** (98,664)

**Net position, beginning of year, as restated** 48,477,299

**Net position, end of year** \$ 48,378,635

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



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## **FUND FINANCIAL STATEMENTS**

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2020**

	<u>General</u>	<u>Debt Service</u>	<u>Bond Building</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 45,225,973	\$ 39,022,952	\$ 52,082,150
Property taxes receivable	1,918,411	683,194	
Due from governmental entities	28,732,877		
Due from other funds	1,532,769		
Inventory	864,612		
<b>Total assets</b>	<u><u>\$ 78,274,642</u></u>	<u><u>\$ 39,706,146</u></u>	<u><u>\$ 52,082,150</u></u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES</u></b>			
<b><u>AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 1,739,720	\$	\$ 561,216
Construction contracts payable			2,893,233
Credit line payable	5,321,000		
Due to other funds			
Accrued payroll and employee benefits	1,798,306		
Accrued interest payable	740,000		
Unearned revenues			
Bonds payable		32,800,000	
Bond interest payable		3,973,097	
Tax anticipation notes payable	37,000,000		
<b>Total liabilities</b>	<u><u>46,599,026</u></u>	<u><u>36,773,097</u></u>	<u><u>3,454,449</u></u>
Deferred inflows of resources:			
Unavailable revenues - property taxes	1,339,926	466,983	
Unavailable revenues - intergovernmental			
<b>Total deferred inflows of resources</b>	<u><u>1,339,926</u></u>	<u><u>466,983</u></u>	
Fund balances (deficits):			
Nonspendable	864,612		
Restricted	1,845,177	2,466,066	48,627,701
Unassigned	27,625,901		
<b>Total fund balances</b>	<u><u>30,335,690</u></u>	<u><u>2,466,066</u></u>	<u><u>48,627,701</u></u>
<b>Total liabilities, deferred inflows of resources</b>			
<b>and fund balances</b>	<u><u>\$ 78,274,642</u></u>	<u><u>\$ 39,706,146</u></u>	<u><u>\$ 52,082,150</u></u>

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 28,249,172	\$ 164,580,247
	2,601,605
4,897,327	33,630,204
	1,532,769
598,488	1,463,100
<u>\$ 33,744,987</u>	<u>\$ 203,807,925</u>

\$ 173,624	\$ 2,474,560
	2,893,233
	5,321,000
1,532,769	1,532,769
1,220,450	3,018,756
	740,000
401,524	401,524
	32,800,000
	3,973,097
	37,000,000
<u>3,328,367</u>	<u>90,154,939</u>

	1,806,909
<u>1,529,676</u>	<u>1,529,676</u>
<u>1,529,676</u>	<u>3,336,585</u>

598,488	1,463,100
29,879,280	82,818,224
(1,590,824)	26,035,077
<u>28,886,944</u>	<u>110,316,401</u>

<u>\$ 33,744,987</u>	<u>\$ 203,807,925</u>
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**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

<b>Total governmental fund balances</b>	<b>\$</b>	<b>110,316,401</b>
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Amounts reported for *governmental activities* in the Statement of Net Position are different because:

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

Governmental capital assets	\$ 702,235,148	
Less accumulated depreciation	<u>(275,073,848)</u>	427,161,300

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

Property taxes	1,806,909	
Intergovernmental	<u>1,529,676</u>	3,336,585

Deferred items related to the net cost of issuance of bonds are amortized over the life of the associated bond issue in the government-wide statements but not reported in the funds.	1,032,855
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Deferred outflows and inflows of resources related to pensions/OPEB are applicable to future periods and, therefore, are not reported in the funds.

Deferred outflows of resources related to pensions/OPEB	33,357,605	
Deferred inflows of resources related to pensions/OPEB	<u>(20,064,164)</u>	13,293,441

Compensated absences payable	(15,202,147)	
Total OPEB liability	(46,619,701)	
Net pension liability	(222,792,864)	
Bonds payable	<u>(222,147,235)</u>	<u>(506,761,947)</u>

<b>Net position of governmental activities</b>	<b>\$</b>	<b><u>48,378,635</u></b>
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**The notes to the basic financial statements are an integral part of this statement.**

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	<u>General</u>	<u>Debt Service</u>	<u>Bond Building</u>
<b>Revenues:</b>			
Other local	\$ 14,546,240	\$ 549,860	\$ 691,382
Property taxes	109,785,662	40,188,376	
State aid and grants	112,334,850		
Federal aid, grants and reimbursements	2,602,855	22,598	
<b>Total revenues</b>	<u>239,269,607</u>	<u>40,760,834</u>	<u>691,382</u>
<b>Expenditures:</b>			
Current -			
Instruction	129,490,385		
Support services - students and staff	24,108,020		
Support services - administration	26,896,583		
Operation and maintenance of plant services	28,750,156		
Student transportation services	11,305,242		
Operation of non-instructional services	1,198,588		
Capital outlay	8,687,843		45,904,896
Debt service -			
Principal retirement		32,800,000	
Interest and fiscal charges		8,125,522	
Bond issuance costs			332,311
<b>Total expenditures</b>	<u>230,436,817</u>	<u>40,925,522</u>	<u>46,237,207</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>8,832,790</u>	<u>(164,688)</u>	<u>(45,545,825)</u>
<b>Other financing sources (uses):</b>			
Transfers in	668,215	693,067	
Transfers out			(693,067)
Issuance of school improvement bonds			33,520,000
Premium on sale of bonds			6,765,146
Insurance recoveries	174,486		
<b>Total other financing sources (uses)</b>	<u>842,701</u>	<u>693,067</u>	<u>39,592,079</u>
<b>Changes in fund balances</b>	<u>9,675,491</u>	<u>528,379</u>	<u>(5,953,746)</u>
<b>Fund balances, beginning of year, as restated</b>	20,787,344	1,937,687	54,581,447
Increase (decrease) in reserve for inventory	(127,145)		
<b>Fund balances, end of year</b>	<u>\$ 30,335,690</u>	<u>\$ 2,466,066</u>	<u>\$ 48,627,701</u>

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 19,883,907	\$ 35,671,389
500,000	150,474,038
23,316,401	135,651,251
23,907,350	26,532,803
<u>67,607,658</u>	<u>348,329,481</u>
37,893,132	167,383,517
7,419,992	31,528,012
1,396,420	28,293,003
444,061	29,194,217
44,225	11,349,467
14,314,719	15,513,307
2,231,570	56,824,309
	32,800,000
	8,125,522
	332,311
<u>63,744,119</u>	<u>381,343,665</u>
<u>3,863,539</u>	<u>(33,014,184)</u>
	1,361,282
(668,215)	(1,361,282)
	33,520,000
	6,765,146
	174,486
<u>(668,215)</u>	<u>40,459,632</u>
<u>3,195,324</u>	<u>7,445,448</u>
25,450,660	102,757,138
240,960	113,815
<u>\$ 28,886,944</u>	<u>\$ 110,316,401</u>



**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2020**

**Changes in fund balances - total governmental funds** **\$ 7,445,448**

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

Governmental funds report the portion of capital outlay for capitalized assets as expenditures. However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense.

Expenditures for capitalized assets	\$ 25,439,140	
Less current year depreciation	<u>(14,440,139)</u>	10,999,001

Donated items are not reported in the governmental funds. However, in the Statement of Activities, the costs of those assets are reported as capital grants and contributions.		2,800,000
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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.		(40,285,146)
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Some revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	(7,573,590)	
Intergovernmental	<u>(2,149,022)</u>	(9,722,612)

Repayments of long-term debt principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		32,800,000
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Governmental funds report pension/OPEB contributions as expenditures. However, they are reported as deferred outflows of resources in the Statement of Net Position. The change in the net pension/OPEB liability, adjusted for deferred items, is reported as pension/OPEB expense in the Statement of Activities.

Current year pension/OPEB contributions	22,735,671	
Pension/OPEB expense	<u>(26,779,843)</u>	(4,044,172)

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.

Inventory	113,815	
Deferred charges on issuance of debt	(516,428)	
Loss on disposal of assets	(192,575)	
Amortization of deferred bond items	3,105,140	
Compensated absences	<u>(2,601,135)</u>	<u>(91,183)</u>

<b>Changes in net position in governmental activities</b>		<b><u>\$ (98,664)</u></b>
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The notes to the basic financial statements are an integral part of this statement.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

The financial statements of the Deer Valley Unified School District No. 97 (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, 2020, the District implemented the provisions of GASB Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities for accounting and financial reporting purposes, and provides guidance as to how those activities should be reported. Student Activities and employee withholding accounts reported in the prior year as fiduciary activities do not meet these new fiduciary activities criteria and have been reclassified within general and special revenue governmental funds. Beginning balances of the governmental funds and governmental activities have been restated by \$2,646,749 accordingly.

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.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) present financial information about the District as a whole. The reported information includes all of the nonfiduciary activities of the District. For the most part, the effect of internal activity has been removed from these statements. These statements are to distinguish between the governmental and business-type activities of the District. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District does not have any business-type activities or fiduciary activities.

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

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

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

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

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

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

The 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.

**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.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

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, improving school grounds, or purchasing pupil transportation vehicles.

**D. Cash and Investments**

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

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

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

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

**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.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

**F. Receivables and Payables**

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

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

**G. Property Tax Calendar**

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

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

**H. Inventory**

The general supplies and custodial inventories are valued at cost using the first-in/first-out (FIFO) method, and food service inventories are valued using the average cost 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.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

**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.

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	20 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.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

**L. Compensated Absences**

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

**M. Pensions and Other Postemployment Benefits**

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

**N. Long-term Obligations**

In the government-wide financial statements 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.



**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

**P. Net Position Flow Assumption**

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

**Q. Estimates**

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

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

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

***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.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

In the General Fund, assigned amounts represent intended uses established by the Governing Board or a management official delegated that authority by the formal Governing Board action. The District does not have a formal policy or procedures for the utilization of assigned fund balance, accordingly, no assigned fund balance amounts are reported.

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

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

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

	General Fund	Debt Service Fund	Bond Building Fund	Non-Major Governmental Funds
Fund Balances:				
Nonspendable:				
Inventory	\$ 864,612	\$	\$	\$ 598,488
Restricted:				
Debt service		2,466,066		
Capital projects	1,845,177			3,870,760
Bond building projects			48,627,701	
Voter approved initiatives				5,449,075
Federal and state projects				7,656,837
Food service				694,586
Civic center				2,572,121
Community school				2,721,236
Extracurricular activities				1,929,084
Gifts and donations				1,004,077
Career technical education				1,793,565
Student activities				2,047,893
Other purposes				140,046
Unassigned	27,625,901			(1,590,824)
Total fund balances	<u>\$ 30,335,690</u>	<u>\$ 2,466,066</u>	<u>\$ 48,627,701</u>	<u>\$ 28,886,944</u>

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 3 – RESTRICTED NET POSITION**

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

	Governmental Activities
Restricted Net Position:	
Debt service	\$ 2,933,049
Capital projects	5,715,937
Voter approved initiatives	5,449,075
Federal and state projects	7,656,837
Food service	694,586
CTED	1,793,565
Civic center	2,572,121
Community school	2,721,236
Extracurricular activities	1,929,084
Gifts and donations	1,004,077
Student activities	2,047,893
Other purposes	140,046
Total	<u>\$ 34,657,506</u>

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

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

	Deficit
Non-Major Governmental Funds:	
Title I Grants	\$ 383,854
Professional Development and Technology Grants	133,086
Title IV Grants	116,671
Limited English & Immigrant Students	56,916
Special Education Grants	343,211
Homeless Education	5,931
Other Federal Projects	357,934
Other State Projects	193,221

The deficits arose because of pending grant reimbursements. Additional revenues received in fiscal year 2020-21 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.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 5 – CASH AND INVESTMENTS**

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of bank failure the District's deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end the carrying amount of the District's deposits was \$2,463,840 and the bank balance was \$4,714,502. At year end, \$4,464,502 of the District's deposits were covered by collateral held by the pledging financial institution's trust department or agent but not 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.

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer's investment pool	313 days	<u>\$ 162,116,407</u>

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

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

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

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 6 – RECEIVABLES**

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

	General Fund	Non-Major Governmental Funds
Due from other governmental entities:		
Due from federal government	\$	\$ 2,428,971
Due from state government	28,732,877	2,468,356
Net due from governmental entities	<u>\$ 28,732,877</u>	<u>\$ 4,897,327</u>

**NOTE 7 – 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	\$ 50,257,914	\$ 2,800,000	\$ 678,636	\$ 52,379,278
Construction in progress	4,247,820	24,424,834	7,443,457	21,229,197
Total capital assets, not being depreciated	<u>54,505,734</u>	<u>27,224,834</u>	<u>8,122,093</u>	<u>73,608,475</u>
Capital assets, being depreciated:				
Land improvements	51,080,004	575,968		51,655,972
Buildings and improvements	525,786,903	6,867,489		532,654,392
Vehicles, furniture and equipment	43,043,504	1,692,942	420,137	44,316,309
Total capital assets being depreciated	<u>619,910,411</u>	<u>9,136,399</u>	<u>420,137</u>	<u>628,626,673</u>
Less accumulated depreciation for:				
Land improvements	(41,472,643)	(1,496,171)		(42,968,814)
Buildings and improvements	(188,861,734)	(10,601,056)		(199,462,790)
Vehicles, furniture and equipment	(30,526,894)	(2,342,912)	(227,562)	(32,642,244)
Total accumulated depreciation	<u>(260,861,271)</u>	<u>(14,440,139)</u>	<u>(227,562)</u>	<u>(275,073,848)</u>
Total capital assets, being depreciated, net	<u>359,049,140</u>	<u>(5,303,740)</u>	<u>192,575</u>	<u>353,552,825</u>
Governmental activities capital assets, net	<u>\$ 413,554,874</u>	<u>\$ 21,921,094</u>	<u>\$ 8,314,668</u>	<u>\$ 427,161,300</u>

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 7 – CAPITAL ASSETS**

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 9,065,113
Support services – students and staff	2,479,535
Support services – administration	320,696
Operation and maintenance of plant services	837,125
Student transportation services	899,276
Operation of non-instructional services	838,394
Total depreciation expense – governmental activities	<u>\$ 14,440,139</u>

**Construction Commitments** – At year end, the District had contractual commitments related to various capital projects for the modernization of school buildings and the construction of a new school. At year end the District had spent \$21.2 million on the projects and had estimated remaining contractual commitments of \$2.9 million. These projects are being funded with bond proceeds.

**NOTE 8 – SHORT TERM DEBT**

**Tax Anticipation Notes** –The District issued \$37.0 million in tax anticipation notes in advance of property tax collections, depositing the proceeds in the General Fund. These notes are necessary to provide cash flow as most tax revenue is collected in November and May. Property tax revenues of the General Fund will be used to repay these notes in July 2020. Short-term debt activity for the current fiscal year was as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
Tax anticipation notes	\$ <u>                    </u>	\$ <u>37,000,000</u>	\$ <u>                    </u>	\$ <u>37,000,000</u>

**Revolving Line of Credit** – The District has a revolving line of credit to provide cash flow during the year to mitigate the impact of timing differences of expenditures and the receipt of state aid and property tax revenues. At year end, the District had \$23.7 million in unused line of credit. General Fund revenues will be used to repay the line of credit in July 2020. Short-term debt activity for the current fiscal year was as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
Revolving line of credit	\$ <u>12,399,000</u>	\$ <u>12,924,000</u>	\$ <u>20,002,000</u>	\$ <u>5,321,000</u>

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 9 – GENERAL OBLIGATION BONDS PAYABLE**

Bonds payable at year end consisted of the following outstanding general obligation and refunding bonds. Of the total amount originally authorized, \$135 million 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. The District's legal debt limit is \$1.0 billion, and the available margin is \$798.2 million. In addition, a portion of the District's school improvements bonds are Qualified Build America Bonds (BABS). The District receives a direct subsidy payment from the United States of America for a portion of the interest payment due on the bonds.

Purpose	Original Amount Issued	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2020	Due Within One Year
<b>Governmental activities:</b>					
School Improvement Bonds Project of 2008, Series A (2010) (Class B)	\$ 30,000,000	4.99%	7/1/20	\$ 2,750,000	\$ 2,750,000
School Improvement Bonds Project of 2008, Series B (2011) (Class B)	30,000,000	4.00%	7/1/2020-21	9,500,000	5,000,000
School Improvement Bonds Project of 2008, Series C (2011) (Class B)	30,000,000	3.0-5.0%	7/1/20-23	20,050,000	3,750,000
School Improvement Bonds Project of 2008, Series D (2013) (Class B)	23,400,000	3.00%	7/1/20-23	16,400,000	3,500,000
School Improvement Bonds Project of 2013, Series A (2015) (Class B)	25,000,000	2.0-5.0%	7/1/20-21	9,700,000	4,700,000
School Improvement Bonds Project of 2013, Series B (2016) (Class B)	30,000,000	2.0-3.0%	7/1/20-25	30,000,000	10,000,000
Refunding Series, 2016 (Class B)	19,200,000	3.0-5.0%	7/1/22-24	19,200,000	
School Improvement Bonds Project of 2013, Series C (2017) (Class B)	22,065,000	5.00%	7/1/20-25	22,065,000	2,000,000
School Improvement Bonds Project of 2013, Series D (2018) (Class B)	23,000,000	4.0-5.0%	7/1/21-27	23,000,000	
School Improvement Bonds Project of 2013, Series E (2019) (Class B)	45,555,000	5.00%	7/1/20-27	45,555,000	1,100,000
School Improvement Bonds Project of 2019, Series A (2020) (Class B)	33,520,000	5.00%	7/1/21-27	33,520,000	
Total				<u>\$ 231,740,000</u>	<u>\$ 32,800,000</u>

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 9 – GENERAL OBLIGATION BONDS PAYABLE**

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

		Governmental Activities	
Year ending June 30:		Principal	Interest
	2021	\$ 32,800,000	\$ 8,400,378
	2022	34,065,000	7,945,575
	2023	32,530,000	6,645,850
	2024	33,945,000	5,287,625
	2025	26,310,000	3,285,050
	2026-30	72,090,000	5,696,875
Total		<u>\$ 231,740,000</u>	<u>\$ 37,261,353</u>

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 liability for the defeased bonds are not included in the District's financial statements. At year end, \$3.5 million 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
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$ 231,570,000	\$ 33,520,000	\$ 33,350,000	\$ 231,740,000	\$ 32,800,000
Premium	19,547,229	6,765,146	3,105,140	23,207,235	
Total bonds payable	<u>251,117,229</u>	<u>40,285,146</u>	<u>36,455,140</u>	<u>254,947,235</u>	<u>32,800,000</u>
Net OPEB liability	47,454,103		834,402	46,619,701	
Net pension liability	210,067,472	12,725,392		222,792,864	
Compensated absences payable	<u>12,601,012</u>	<u>4,126,428</u>	<u>1,525,293</u>	<u>15,202,147</u>	<u>1,750,000</u>
Governmental activity long-term liabilities	<u>\$ 521,239,816</u>	<u>\$ 57,136,966</u>	<u>\$ 38,814,835</u>	<u>\$ 539,561,947</u>	<u>\$ 34,550,000</u>



**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 11 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

At year end interfund balances were as follows:

**Due to/from other funds:**

At year end, several non-major governmental funds had negative cash balances of \$1,532,769 in the Treasurer's pooled cash accounts. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with the General Fund. All interfund balances are expected to be paid within one year.

**Interfund transfers:**

	Transfers in		
	General	Debt	
Transfers out	Fund	Service	Total
Bond Building Fund	\$	\$ 693,067	\$ 693,067
Non-Major Governmental Funds	668,215		668,215
Total	\$ 668,215	\$ 693,067	\$ 1,361,282

Transfers between funds were used to move investment income and premium earned in the Bond Building Fund that is required by statute to be expended in the Debt Service Fund and 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.

**Average Daily Membership (ADM) Audit** – The District has been selected by the Arizona Department of Education to have an ADM audit for the fiscal years ended June 30, 2017, June 30, 2018, and June 30, 2019. This ADM audit has not yet been completed and although the results are unknown at this time, the District expects the results to be immaterial to the financial statements.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 12 – CONTINGENT LIABILITIES**

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

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

**NOTE 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 joined the Valley Schools Insurance Trust (VSIT), Valley School Employee Benefit Trust (VSEBT), and the Valley Schools Worker's Compensation pool (VSWCP) together with several school districts in the State.

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 Valley Schools Insurance Trust (VSIT). VSIT is a public entity risk pool currently operating as a common risk management and insurance program for school districts. The District pays an annual premium to VSIT for its general insurance coverage. The agreement provides that VSIT will be self-sustaining through members' premiums and will reinsure through commercial companies for claims in excess of specified amounts of each insured event.

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 an annual 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 of each insured event.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 13 – RISK MANAGEMENT**

The District joined the Valley Schools Workers' Compensation Pool (VSWCP) together with other school districts in the state for risks of loss related to workers' compensation claims. VSWCP 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 annual premiums to VSWCP for its employee workers' compensation coverage. The agreement provides that VSWCP will be self-sustaining through members' premiums and will reinsure through commercial companies for claims in excess of specified amounts of each insured event.

**NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

**A. Arizona State Retirement System**

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

**Aggregate Amounts.** At June 30, 2020, the District reported the following aggregate amounts related to pensions and OPEB for all plans to which it contributes:

	<u>Pension</u>	<u>OPEB</u>
Net liability	\$ 222,792,864	\$ 46,619,701
Deferred outflows of resources	27,799,874	5,557,731
Deferred inflows of resources	16,052,121	4,012,043
Expense	24,327,993	2,451,850
Contributions	19,895,094	2,840,577

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

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**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.

**Contributions.** In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.11 percent (11.94 percent for retirement and 0.17 percent for long-term disability) of the members' annual covered payroll, and the District was required by statute to contribute at the actuarially determined rate of 12.11 percent (11.45 percent for retirement, 0.49 percent for health insurance premium benefit, and 0.17 percent for long-term disability) of the active members' annual covered payroll. The District's contributions to the pension plan for the year ended June 30, 2020 were \$19,895,094.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

Employers are also required to pay an Alternate Contribution Rate (ACR), for retired members who return to work in positions that would typically be filled by an employee who contributes to ASRS. The District was required by statute to contribute at the actuarially determined rate of 10.41 percent (10.29 for retirement, 0.05 percent for health insurance premium benefit, and 0.07 percent for long-term disability). ACR contributions are included in employer contributions presented above.

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

**Pension Liability.** The net pension liability was measured as of June 30, 2019. The total liability used to calculate the net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2018, to the measurement date of June 30, 2019. The District's proportion of the net liability was based on the District's actual contributions to the applicable plan relative to the total of all participating employers' contributions to the plan for the year ended June 30, 2019.

At June 30, 2020, the District reported the following amounts for its proportionate share of the pension plan net liability. In addition, at June 30, 2019, the District's percentage proportion for the plan and the related change from its proportion measured as of June 30, 2018 was:

Net Liability	District % Proportion	Increase (Decrease)
\$ 222,792,864	1.531	0.025

**Pension Expense and Deferred Outflows/Inflows of Resources.** The District has deferred outflows and inflows of resources related to the net pension liability. Certain changes in the net pension liability are recognized as pension expense over a period of time rather than the year of occurrence. The District's pension expense for the year ended June 30, 2020 was \$24,327,993.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,024,812	\$ 41,887
Changes of assumptions or other inputs	941,752	8,872,049
Net difference between projected and actual earnings on pension investments		5,007,614
Changes in proportion and differences between contributions and proportionate share of contributions	2,938,216	2,130,571
Contributions subsequent to the measurement date	19,895,094	
Total	<u>\$ 27,799,874</u>	<u>\$ 16,052,121</u>

The amounts of deferred outflows of resources resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as an adjustment of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:

2021	\$ (3,727,993)
2022	(4,798,849)
2023	(961,674)
2024	1,341,175

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

Actuarial valuation date	June 30, 2018
Actuarial roll forward date	June 30, 2019
Actuarial cost method	Entry age normal
Investment rate of return	7.5%
Inflation	2.3%
Projected salary increases	2.7-7.2%
Permanent base increases	Included
Mortality rates	2017 SRA Scale U-MP

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2016. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2017, actuarial valuation.

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

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

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Equity	50%	6.09%
Credit	20	5.36
Interest rate sensitive bonds	10	1.62
Real estate	20	5.85
Total	100%	

**Discount Rate.** The discount rate used to measure the total pension liability was 7.5 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 liability.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

	1% Decrease	Current Discount Rate	1% Increase
Rate	6.5%	7.5%	8.5%
Net liability	\$ 317,085,851	\$ 222,792,864	\$ 143,988,195

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

**B. Single-Employer OPEB Plan**

**Plan Description.** Under authority of the Governing Board, the District provides postretirement insurance benefits, for certain retirees and their dependents, in accordance with the District's Early Retirement Plan. The plan is a single-employer defined benefit OPEB plan administered by the District. No assets are accumulated in a trust that meets the criteria in paragraph four of GASB Statement 75. Employees hired on or after July 1, 2009 are not eligible for District-paid post-employment benefits. Generally, resources from the General Fund are used to pay for postemployment benefits.

**Benefits Provided.** The plan provides postretirement insurance (health, dental and life) benefits for eligible retirees up to age 65. To be eligible for District-paid benefits, a retiree must have attained eligibility for early retirement under ASRS and reached the later of age 50 and completion of at least 15 years of full-time service credit with the District. Eligible retirees receive a District contribution towards coverage under one of the District's medical plans, up to the retiree-only PPO premium. Retirees are also eligible to join one of the District's dental plans and receive a District contribution for the cost of single retiree dental coverage. The retiree must designate the District as the recipient of the ASRS Retiree Premium Benefit (also called the ASRS "subsidy"). In addition, the District pays for the cost of term life insurance for each retiree (\$0.05 per every \$1,000 of coverage, and additional \$0.012 for AD&D).



**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

**Contributions.** The District contributes the monthly premium for employees who retire and remain on the District's plan and are not eligible for the ASRS Retiree Premium Benefit. For employees that are eligible for the ASRS Retiree Premium Benefits, the District contributes the monthly premium less the ASRS subsidy. The District reimburses retirees on ASRS's plan for the differences between premiums and the ASRS subsidy. For the current fiscal year, the District contributed \$2,840,577 for these benefits. The District's regular insurance providers underwrite the retiree policies. Retirees may not convert the benefit into an in-lieu payment to secure coverage under independent plans. A separate financial report is not issued for the plan.

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

Inactive employees entitled to but not yet receiving benefit payments	357
Active employees	1,080
Total	<u>1,437</u>

**Total OPEB Liability.** The District's total OPEB liability of \$46,619,701 was measured as of June 30, 2019, and was determined by an actuarial valuation as of July 1, 2019.

**Actuarial Assumptions and Other Inputs.** Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit cost between the employer and plan members to that point. The total OPEB liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The actuarial assumptions used were based on a review of plan experience during the period July 1, 2017 to June 30, 2019.

Measurement date	June 30, 2019
Actuarial valuation date	July 1, 2019
Inflation rate	3.00%
Projected salary increases	3.00%
Health care cost trend rate:	
Medical and Prescription Drug	6.00%
Retiree contribution increase	Consistent with medical/drug trends
ASRS subsidy increases	Level
Cost of living adjustments	N/A

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

The discount rate is based on an index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher and was decreased from 3.62 percent to 3.13 percent since the last measurement date. The rate is applied to each period of projected benefit payments.

Mortality rates were based on the RP-2014 Employee Mortality Table without projection for active employees and RP-2014 Health Annuitant Mortality Table without projection for retirees.

**Changes in the Total OPEB Liability**

Total OPEB Liability – beginning of year	\$ 47,454,103
Changes for the year:	
Service cost	1,123,550
Interest	1,700,101
Differences between expected and actual experience	(3,798,498)
Changes in assumptions or other inputs	3,396,443
Benefit payments	(3,255,998)
Total OPEB Liability – end of year	<u>\$ 46,619,701</u>

**Sensitivity of the total OPEB liability to changes in the discount rate.** The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (2.13%)	Current Discount Rate (3.13%)	1% Increase (4.13%)
Total OPEB liability	\$ 49,879,140	\$ 46,619,701	\$ 43,582,401

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

	1% Decrease (5.00%)	Current Healthcare Cost Trend Rates (6.00%)	1% Increase (7.00%)
Total OPEB liability	\$ 42,469,932	\$ 46,619,701	\$ 51,287,239

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.** For the year ended June 30, 2020, the District recognized OPEB expense of \$2,451,850. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$	\$ 3,038,798
Changes of assumptions or other inputs	2,717,154	
Net difference between projected and actual earnings on OPEB investments		973,245
Contributions subsequent to the measurement date	2,840,577	
Total	<u>\$ 5,557,731</u>	<u>\$ 4,012,043</u>

The deferred outflows of resources resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as an adjustment of the total OPEB liability in the year ended June 30, 2021. Other amounts reported as deferred inflows of resources will be recognized in OPEB expense as follows:

Year Ending June 30:	
2021	\$ (371,801)
2022	(371,801)
2023	(371,801)
2024	(179,486)

**NOTE 15 – SUBSEQUENT EVENT**

In July 2020, the District issued \$30.0 million of tax anticipation notes in advance of property tax collections, depositing the proceeds in its General Fund.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL**  
**YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Other local	\$	\$	\$ 9,483,700	\$ 9,483,700
Property taxes			103,871,341	103,871,341
State aid and grants			112,334,850	112,334,850
<b>Total revenues</b>			<u>225,689,891</u>	<u>225,689,891</u>
<b>Expenditures:</b>				
Current -				
Instruction	136,386,523	139,861,201	128,361,866	11,499,335
Support services - students and staff	24,672,700	24,962,858	23,388,372	1,574,486
Support services - administration	24,277,200	25,651,390	24,859,912	791,478
Operation and maintenance of plant services	27,446,950	27,108,272	25,686,396	1,421,876
Student transportation services	11,550,200	11,442,242	11,189,139	253,103
Operation of non-instructional services	250,300	252,989	233,211	19,778
<b>Total expenditures</b>	<u>224,583,873</u>	<u>229,278,952</u>	<u>213,718,896</u>	<u>15,560,056</u>
<b>Changes in fund balances</b>	<u>(224,583,873)</u>	<u>(229,278,952)</u>	<u>11,970,995</u>	<u>241,249,947</u>
<b>Fund balances, beginning of year, as restated</b>			6,036,047	6,036,047
Increase (decrease) in reserve for inventory			(127,145)	(127,145)
<b>Fund balances (deficits), end of year</b>	<u>\$ (224,583,873)</u>	<u>\$ (229,278,952)</u>	<u>\$ 17,879,897</u>	<u>\$ 247,158,849</u>

See accompanying notes to this schedule.

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**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**ARIZONA STATE RETIREMENT SYSTEM**  
**LAST SIX FISCAL YEARS**

	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>
Measurement date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
District's proportion of the net pension (assets) liability	1.53%	1.51%	1.55%	1.49%	1.52%
District's proportionate share of the net pension (assets) liability	\$ 222,792,864	\$ 210,067,472	\$ 240,951,942	\$ 241,061,061	\$ 237,416,391
District's covered payroll	\$ 160,729,535	\$ 148,638,275	\$ 150,729,212	\$ 138,396,590	\$ 142,056,933
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	138.61%	141.33%	159.86%	174.18%	167.13%
Plan fiduciary net position as a percentage of the total pension liability	73.24%	73.40%	69.92%	67.06%	68.35%

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

	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>
Actuarially determined contribution	\$ 19,895,094	\$ 17,969,562	\$ 16,201,572	\$ 16,248,609	\$ 15,016,030
Contributions in relation to the actuarially determined contribution	<u>19,895,094</u>	<u>17,969,562</u>	<u>16,201,572</u>	<u>16,248,609</u>	<u>15,016,030</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 173,756,279	\$ 160,729,535	\$ 148,638,275	\$ 150,729,212	\$ 138,396,590
Contributions as a percentage of covered payroll	11.45%	11.18%	10.90%	10.78%	10.85%

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.

**2015**

June 30, 2014

1.51%

\$ 224,120,244

\$ 135,713,467

165.14%

69.49%

**2015**

\$ 15,470,000

15,470,000

\$

\$ 142,056,933

10.89%

See accompanying notes to this schedule.



**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**OTHER POSTEMPLOYMENT BENEFITS PLAN**  
**LAST THREE FISCAL YEARS**

	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>
Measurement date	June 30, 2019	June 30, 2018	June 30, 2017
<b>Total OPEB liability</b>			
Service cost	\$ 1,123,550	\$ 1,429,495	\$ 1,387,859
Interest	1,700,101	1,496,740	1,510,912
Differences between expected and actual experience	(3,798,498)		
Changes of assumptions or other inputs	3,396,443	(1,556,025)	
Benefit payments	(3,255,998)	(3,443,996)	(3,260,498)
<b>Net change in total OPEB liability</b>	(834,402)	(2,073,786)	(361,727)
<b>Total OPEB liability—beginning</b>	47,454,103	49,527,889	49,889,616
<b>Total OPEB liability—ending</b>	<u><u>\$ 46,619,701</u></u>	<u><u>\$ 47,454,103</u></u>	<u><u>\$ 49,527,889</u></u>
 <b>Covered-employee payroll</b>	 \$ 61,276,618	 \$ 64,271,176	 \$ 63,980,101
 <b>Total OPEB liability as a percentage of covered-employee payroll</b>	 76.08%	 73.83%	 77.41%

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.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2020**

**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.
- Employee insurance expenditures are budgeted in the year the employee insurance account is funded.
- Interest expenditures on the tax anticipation notes.

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

	<u>Total Expenditures</u>	<u>Fund Balances End of Year</u>
Statement of Revenues, Expenditures and Changes in		
Fund Balances – Governmental Funds	\$ 230,436,817	\$ 30,335,690
Activity budgeted as special revenue funds	(8,049,409)	(9,689,960)
Activity budgeted as capital projects funds	(8,131,637)	(1,845,177)
Employee insurance account	203,125	(924,274)
Interest expenditures on tax anticipation notes	(740,000)	3,618
Schedule of Revenues, Expenditures and Changes in		
Fund Balances – Budget and Actual – General Fund	<u>\$ 213,718,896</u>	<u>\$ 17,879,897</u>

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

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

**Factors that Affect Trends.** The actuarial assumptions used in the June 30, 2018, ASRS valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2016. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2017, actuarial valuation.

**Early Retirement Program Plan.** No assets are accumulated in a trust that meets the criteria in paragraph four of GASB Statement 75.

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

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## **GOVERNMENTAL FUNDS**

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**JUNE 30, 2020**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 24,378,412	\$ 3,870,760	\$ 28,249,172
Due from governmental entities	4,897,327		4,897,327
Inventory	598,488		598,488
<b>Total assets</b>	<u>\$ 29,874,227</u>	<u>\$ 3,870,760</u>	<u>\$ 33,744,987</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 173,624	\$	\$ 173,624
Due to other funds	1,532,769		1,532,769
Accrued payroll and employee benefits	1,220,450		1,220,450
Unearned revenues	401,524		401,524
<b>Total liabilities</b>	<u>3,328,367</u>		<u>3,328,367</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>1,529,676</u>		<u>1,529,676</u>
Fund balances (deficits):			
Nonspendable	598,488		598,488
Restricted	26,008,520	3,870,760	29,879,280
Unassigned	(1,590,824)		(1,590,824)
<b>Total fund balances</b>	<u>25,016,184</u>	<u>3,870,760</u>	<u>28,886,944</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 29,874,227</u>	<u>\$ 3,870,760</u>	<u>\$ 33,744,987</u>

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**YEAR ENDED JUNE 30, 2020**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b>Revenues:</b>			
Other local	\$ 19,479,306	\$ 404,601	\$ 19,883,907
Property taxes		500,000	500,000
State aid and grants	23,316,401		23,316,401
Federal aid, grants and reimbursements	23,907,350		23,907,350
<b>Total revenues</b>	<u>66,703,057</u>	<u>904,601</u>	<u>67,607,658</u>
<b>Expenditures:</b>			
Current -			
Instruction	37,893,132		37,893,132
Support services - students and staff	7,419,992		7,419,992
Support services - administration	1,396,420		1,396,420
Operation and maintenance of plant services	444,061		444,061
Student transportation services	44,225		44,225
Operation of non-instructional services	14,314,719		14,314,719
Capital outlay	1,606,597	624,973	2,231,570
<b>Total expenditures</b>	<u>63,119,146</u>	<u>624,973</u>	<u>63,744,119</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>3,583,911</u>	<u>279,628</u>	<u>3,863,539</u>
<b>Other financing sources (uses):</b>			
Transfers out	(668,215)		(668,215)
<b>Total other financing sources (uses)</b>	<u>(668,215)</u>		<u>(668,215)</u>
<b>Changes in fund balances</b>	<u>2,915,696</u>	<u>279,628</u>	<u>3,195,324</u>
<b>Fund balances, beginning of year, as restated</b>	21,859,528	3,591,132	25,450,660
Increase (decrease) in reserve for inventory	240,960		240,960
<b>Fund balances, end of year</b>	<u>\$ 25,016,184</u>	<u>\$ 3,870,760</u>	<u>\$ 28,886,944</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.

**English Language Learner** - to account for monies received to provide for the incremental cost of instruction to English language learners.

**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 & 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.

**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.

**Homeless Education** - to account for financial assistance received for the education of homeless students.

**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.

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

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

**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.

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

**School Opening** - to account for the monies transferred in from the Maintenance and Operation Fund to be expended for maintenance and operation purposes incurred in the first year of operation of a new school within the District.

**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.

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

**Student Activities** - to account for monies raised by students to finance student clubs and organizations.

**Print Shop** - to account for charges to other departments for printing and copying services.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2020**

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>English Language Learner</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 2,658,903	\$ 642,714	\$ 4,421
Due from governmental entities	1,424,181	821,180	
Inventory			
<b>Total assets</b>	<u>\$ 4,083,084</u>	<u>\$ 1,463,894</u>	<u>\$ 4,421</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$ 12,121	\$
Due to other funds			
Accrued payroll and employee benefits		85,782	
Unearned revenues			4,421
<b>Total liabilities</b>		<u>97,903</u>	<u>4,421</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Nonspendable			
Restricted	4,083,084	1,365,991	
Unassigned			
<b>Total fund balances</b>	<u>4,083,084</u>	<u>1,365,991</u>	
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 4,083,084</u>	<u>\$ 1,463,894</u>	<u>\$ 4,421</u>

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English &amp; Immigrant Students</u>	<u>Special Education Grants</u>	<u>Vocational Education</u>
\$ 383,854	\$ 133,086	\$ 116,671	\$ 56,916	\$ 343,211	\$ 141,210
<u>\$ 383,854</u>	<u>\$ 133,086</u>	<u>\$ 116,671</u>	<u>\$ 56,916</u>	<u>\$ 343,211</u>	<u>\$ 141,210</u>
\$ 24,880 187,819 171,155	\$ 14,302 118,784	\$ 15,872 63,384 37,415	\$ 56,916	\$ 15,728 186,375 141,108	\$ 121,720 19,490
<u>383,854</u>	<u>133,086</u>	<u>116,671</u>	<u>56,916</u>	<u>343,211</u>	<u>141,210</u>
<u>383,854</u>	<u>133,086</u>	<u>116,671</u>	<u>56,916</u>	<u>343,211</u>	
<u>(383,854)</u>	<u>(133,086)</u>	<u>(116,671)</u>	<u>(56,916)</u>	<u>(343,211)</u>	
<u>(383,854)</u>	<u>(133,086)</u>	<u>(116,671)</u>	<u>(56,916)</u>	<u>(343,211)</u>	
<u>\$ 383,854</u>	<u>\$ 133,086</u>	<u>\$ 116,671</u>	<u>\$ 56,916</u>	<u>\$ 343,211</u>	<u>\$ 141,210</u>

(Continued)

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2020**

	Homeless Education	E-Rate	Other Federal Projects
<b><u>ASSETS</u></b>			
Cash and investments	\$	\$ 3,952,019	\$
Due from governmental entities	5,931	177,170	747,226
Inventory			
<b>Total assets</b>	<u>\$ 5,931</u>	<u>\$ 4,129,189</u>	<u>\$ 747,226</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds	5,931		736,839
Accrued payroll and employee benefits			46,858
Unearned revenues			42
<b>Total liabilities</b>	<u>5,931</u>		<u>783,739</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>5,931</u>		<u>321,421</u>
Fund balances (deficits):			
Nonspendable			
Restricted		4,129,189	
Unassigned	(5,931)		(357,934)
<b>Total fund balances</b>	<u>(5,931)</u>	<u>4,129,189</u>	<u>(357,934)</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 5,931</u>	<u>\$ 4,129,189</u>	<u>\$ 747,226</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>	<u>Community School</u>
\$ 217,826	\$ 3,383,160	\$ 222,995	\$ 855,127 323,696 598,488	\$ 2,624,268	\$ 3,125,309
<u>\$ 217,826</u>	<u>\$ 3,383,160</u>	<u>\$ 222,995</u>	<u>\$ 1,777,311</u>	<u>\$ 2,624,268</u>	<u>\$ 3,125,309</u>
\$	\$	\$ 17,026 55,001	\$ 23,559	\$ 25,490	\$ 24,646
	73,338	175,603	63,617	26,657	379,427
	<u>73,338</u>	<u>247,630</u>	<u>397,061</u> <u>484,237</u>	<u>52,147</u>	<u>404,073</u>
		<u>168,586</u>			
217,826	3,309,822	(193,221)	598,488 694,586	2,572,121	2,721,236
<u>217,826</u>	<u>3,309,822</u>	<u>(193,221)</u>	<u>1,293,074</u>	<u>2,572,121</u>	<u>2,721,236</u>
<u>\$ 217,826</u>	<u>\$ 3,383,160</u>	<u>\$ 222,995</u>	<u>\$ 1,777,311</u>	<u>\$ 2,624,268</u>	<u>\$ 3,125,309</u>

(Continued)

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2020**

	Extracurricular Activities Fees Tax Credit	Gifts and Donations	Textbooks
<b><u>ASSETS</u></b>			
Cash and investments	\$ 1,929,084	\$ 1,004,077	\$ 140,046
Due from governmental entities			
Inventory			
<b>Total assets</b>	<u>\$ 1,929,084</u>	<u>\$ 1,004,077</u>	<u>\$ 140,046</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			
Accrued payroll and employee benefits			
Unearned revenues			
<b>Total liabilities</b>			
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Nonspendable			
Restricted	1,929,084	1,004,077	140,046
Unassigned			
<b>Total fund balances</b>	<u>1,929,084</u>	<u>1,004,077</u>	<u>140,046</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 1,929,084</u>	<u>\$ 1,004,077</u>	<u>\$ 140,046</u>

Career Technical Education	Student Activities	Totals
\$ 1,793,565	\$ 2,047,893	\$ 24,378,412
		4,897,327
		598,488
<u>\$ 1,793,565</u>	<u>\$ 2,047,893</u>	<u>\$ 29,874,227</u>
\$	\$	\$ 173,624
		1,532,769
		1,220,450
		401,524
		<u>3,328,367</u>
		<u>1,529,676</u>
		598,488
1,793,565	2,047,893	26,008,520
		(1,590,824)
<u>1,793,565</u>	<u>2,047,893</u>	<u>25,016,184</u>
<u>\$ 1,793,565</u>	<u>\$ 2,047,893</u>	<u>\$ 29,874,227</u>



**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Classroom Site	Instructional Improvement	English Language Learner
<b>Revenues:</b>			
Other local	\$ 100,059	\$ 25,203	\$
State aid and grants	17,090,170	1,504,118	332,340
Federal aid, grants and reimbursements			
<b>Total revenues</b>	<u>17,190,229</u>	<u>1,529,321</u>	<u>332,340</u>
<b>Expenditures:</b>			
Current -			
Instruction	17,801,178	761,132	332,340
Support services - students and staff	636,224	448,657	
Support services - administration		141,897	
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services		397	
Capital outlay			
<b>Total expenditures</b>	<u>18,437,402</u>	<u>1,352,083</u>	<u>332,340</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,247,173)</u>	<u>177,238</u>	
<b>Other financing sources (uses):</b>			
Transfers out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(1,247,173)</u>	<u>177,238</u>	
<b>Fund balances (deficits), beginning of year, as restated</b>	5,330,257	1,188,753	
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ 4,083,084</u>	<u>\$ 1,365,991</u>	<u>\$</u>

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English &amp; Immigrant Students</u>	<u>Special Education Grants</u>	<u>Vocational Education</u>
\$	\$	\$	\$	\$	\$
5,768,741	736,697	498,965	75,020	6,737,205	663,219
<u>5,768,741</u>	<u>736,697</u>	<u>498,965</u>	<u>75,020</u>	<u>6,737,205</u>	<u>663,219</u>
2,223,975		122,112	3,301	4,405,011	316,977
1,911,506	624,090	293,707	92,397	485,934	259,094
287,889		24,950	735		
		3,957			
7,486		4,512			
		29,692			
134,150		42,774		8,192	11,535
<u>4,565,006</u>	<u>624,090</u>	<u>521,704</u>	<u>96,433</u>	<u>4,899,137</u>	<u>587,606</u>
<u>1,203,735</u>	<u>112,607</u>	<u>(22,739)</u>	<u>(21,413)</u>	<u>1,838,068</u>	<u>75,613</u>
(265,269)	(37,383)	(28,701)	(5,732)	(288,934)	(25,741)
<u>(265,269)</u>	<u>(37,383)</u>	<u>(28,701)</u>	<u>(5,732)</u>	<u>(288,934)</u>	<u>(25,741)</u>
938,466	75,224	(51,440)	(27,145)	1,549,134	49,872
<u>938,466</u>	<u>75,224</u>	<u>(51,440)</u>	<u>(27,145)</u>	<u>1,549,134</u>	<u>49,872</u>
(1,322,320)	(208,310)	(65,231)	(29,771)	(1,892,345)	(49,872)
<u>(1,322,320)</u>	<u>(208,310)</u>	<u>(65,231)</u>	<u>(29,771)</u>	<u>(1,892,345)</u>	<u>(49,872)</u>
<u>\$ (383,854)</u>	<u>\$ (133,086)</u>	<u>\$ (116,671)</u>	<u>\$ (56,916)</u>	<u>\$ (343,211)</u>	<u>\$</u>

(Continued)

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Homeless Education	E-Rate	Other Federal Projects
<b>Revenues:</b>			
Other local	\$	\$ 70,805	\$
State aid and grants			
Federal aid, grants and reimbursements	66,118	438,845	1,832,110
<b>Total revenues</b>	<u>66,118</u>	<u>509,650</u>	<u>1,832,110</u>
<b>Expenditures:</b>			
Current -			
Instruction	9,927		1,705,946
Support services - students and staff	31,114		360,737
Support services - administration			
Operation and maintenance of plant services			
Student transportation services	17,366		
Operation of non-instructional services			
Capital outlay			6,829
<b>Total expenditures</b>	<u>58,407</u>	<u></u>	<u>2,073,512</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>7,711</u>	<u>509,650</u>	<u>(241,402)</u>
<b>Other financing sources (uses):</b>			
Transfers out	(3,499)		(2,426)
<b>Total other financing sources (uses)</b>	<u>(3,499)</u>	<u></u>	<u>(2,426)</u>
<b>Changes in fund balances</b>	<u>4,212</u>	<u>509,650</u>	<u>(243,828)</u>
<b>Fund balances (deficits), beginning of year, as restated</b>	(10,143)	3,619,539	(114,106)
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (5,931)</u>	<u>\$ 4,129,189</u>	<u>\$ (357,934)</u>

State Vocational Education	Gifted	College Credit Exam Incentives	Results-based Funding	Other State Projects	Food Service
\$	\$	\$	\$	\$	\$
289,602	29,954	207,043	3,000,936	862,238	5,094,564
					7,090,430
<u>289,602</u>	<u>29,954</u>	<u>207,043</u>	<u>3,000,936</u>	<u>862,238</u>	<u>12,184,994</u>
142,353	2,719	234,256	1,284,088	8,424	
104,668	25,477	79,404	1,058,425	744,598	
	100		45,695		
			2,102	294,810	37,960
			418		11,712,913
42,581	1,658			9,803	37,023
<u>289,602</u>	<u>29,954</u>	<u>313,660</u>	<u>2,390,728</u>	<u>1,057,635</u>	<u>11,787,896</u>
		(106,617)	610,208	(195,397)	397,098
				(10,530)	
				(10,530)	
		(106,617)	610,208	(205,927)	397,098
		324,443	2,699,614	12,706	655,016
					240,960
<u>\$</u>	<u>\$</u>	<u>\$ 217,826</u>	<u>\$ 3,309,822</u>	<u>\$ (193,221)</u>	<u>\$ 1,293,074</u>

(Continued)

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Civic Center	Community School	Extracurricular Activities Fees Tax Credit
<b>Revenues:</b>			
Other local	\$ 1,391,526	\$ 6,410,608	\$ 1,602,847
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>	<u>1,391,526</u>	<u>6,410,608</u>	<u>1,602,847</u>
<b>Expenditures:</b>			
Current -			
Instruction	718,948	6,105,732	1,192,539
Support services - students and staff	714	282	733
Support services - administration	55	731,151	44,166
Operation and maintenance of plant services	105,232		
Student transportation services	14,386		
Operation of non-instructional services			
Capital outlay	234,978	73,430	142,519
<b>Total expenditures</b>	<u>1,074,313</u>	<u>6,910,595</u>	<u>1,379,957</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>317,213</u>	<u>(499,987)</u>	<u>222,890</u>
<b>Other financing sources (uses):</b>			
Transfers out			
<b>Total other financing sources (uses)</b>	<u></u>	<u></u>	<u></u>
<b>Changes in fund balances</b>	<u>317,213</u>	<u>(499,987)</u>	<u>222,890</u>
<b>Fund balances (deficits), beginning of year, as restated</b>	2,254,908	3,221,223	1,706,194
Increase (decrease) in reserve for inventory			
<b>Fund balances, end of year</b>	<u><u>\$ 2,572,121</u></u>	<u><u>\$ 2,721,236</u></u>	<u><u>\$ 1,929,084</u></u>

<u>Gifts and Donations</u>	<u>Fingerprint</u>	<u>Textbooks</u>	<u>Career Technical Education</u>	<u>Student Activities</u>	<u>Totals</u>
\$ 601,146	\$ 6,089	\$ 16,884	\$ 1,326,175	\$ 2,833,400	\$ 19,479,306
					23,316,401
					23,907,350
<u>601,146</u>	<u>6,089</u>	<u>16,884</u>	<u>1,326,175</u>	<u>2,833,400</u>	<u>66,703,057</u>
293,463		11,426	217,285		37,893,132
5,667		8,244	248,320		7,419,992
50,477	6,089		63,216		1,396,420
					444,061
475					44,225
312				2,570,987	14,314,719
253,720			467,285	140,120	1,606,597
<u>604,114</u>	<u>6,089</u>	<u>19,670</u>	<u>996,106</u>	<u>2,711,107</u>	<u>63,119,146</u>
<u>(2,968)</u>		<u>(2,786)</u>	<u>330,069</u>	<u>122,293</u>	<u>3,583,911</u>
					(668,215)
					(668,215)
<u>(2,968)</u>		<u>(2,786)</u>	<u>330,069</u>	<u>122,293</u>	<u>2,915,696</u>
1,007,045		142,832	1,463,496	1,925,600	21,859,528
					240,960
<u>\$ 1,004,077</u>	<u>\$</u>	<u>\$ 140,046</u>	<u>\$ 1,793,565</u>	<u>\$ 2,047,893</u>	<u>\$ 25,016,184</u>

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Classroom Site		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 100,059	\$ 100,059
State aid and grants		17,090,170	17,090,170
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>17,190,229</u>	<u>17,190,229</u>
<b>Expenditures:</b>			
Current -			
Instruction	18,851,825	17,801,178	1,050,647
Support services - students and staff	764,740	636,224	128,516
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>19,616,565</u>	<u>18,437,402</u>	<u>1,179,163</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(19,616,565)</u>	<u>(1,247,173)</u>	<u>18,369,392</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Insurance recoveries			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(19,616,565)</u>	<u>(1,247,173)</u>	<u>18,369,392</u>
<b>Fund balances (deficits), beginning of year, as restated</b>		5,330,257	5,330,257
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (19,616,565)</u>	<u>\$ 4,083,084</u>	<u>\$ 23,699,649</u>

Instructional Improvement			English Language Learner		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 25,203 1,504,118	\$ 25,203 1,504,118	\$	\$ 332,340	\$ 332,340
	<u>1,529,321</u>	<u>1,529,321</u>		<u>332,340</u>	<u>332,340</u>
1,320,000	761,132 448,657 141,897	558,868 (448,657) (141,897)	393,906	332,340	61,566
	397	(397)			
<u>1,320,000</u>	<u>1,352,083</u>	<u>(32,083)</u>	<u>393,906</u>	<u>332,340</u>	<u>61,566</u>
<u>(1,320,000)</u>	<u>177,238</u>	<u>1,497,238</u>	<u>(393,906)</u>		<u>393,906</u>
<u>(1,320,000)</u>	<u>177,238</u>	<u>1,497,238</u>	<u>(393,906)</u>		<u>393,906</u>
	1,188,753	1,188,753			
<u>\$ (1,320,000)</u>	<u>\$ 1,365,991</u>	<u>\$ 2,685,991</u>	<u>\$ (393,906)</u>	<u>\$</u>	<u>\$ 393,906</u>

(Continued)



**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Title I Grants		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		5,768,741	5,768,741
<b>Total revenues</b>		<u>5,768,741</u>	<u>5,768,741</u>
<b>Expenditures:</b>			
Current -			
Instruction	5,554,948	2,223,975	3,330,973
Support services - students and staff		1,911,506	(1,911,506)
Support services - administration		287,889	(287,889)
Operation and maintenance of plant services			
Student transportation services		7,486	(7,486)
Operation of non-instructional services			
Capital outlay		134,150	(134,150)
<b>Total expenditures</b>	<u>5,554,948</u>	<u>4,565,006</u>	<u>989,942</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(5,554,948)</u>	<u>1,203,735</u>	<u>6,758,683</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(265,269)	(265,269)
Insurance recoveries			
<b>Total other financing sources (uses)</b>		<u>(265,269)</u>	<u>(265,269)</u>
<b>Changes in fund balances</b>	<u>(5,554,948)</u>	<u>938,466</u>	<u>6,493,414</u>
<b>Fund balances (deficits), beginning of year, as restated</b>		(1,322,320)	(1,322,320)
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (5,554,948)</u>	<u>\$ (383,854)</u>	<u>\$ 5,171,094</u>

Professional Development and Technology Grants			Title IV Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	736,697	736,697		498,965	498,965
	736,697	736,697		498,965	498,965
822,549	624,090	198,459	955,499	122,112	(122,112)
				293,707	661,792
				24,950	(24,950)
				3,957	(3,957)
				4,512	(4,512)
				29,692	(29,692)
				42,774	(42,774)
822,549	624,090	198,459	955,499	521,704	433,795
(822,549)	112,607	935,156	(955,499)	(22,739)	932,760
	(37,383)	(37,383)		(28,701)	(28,701)
	(37,383)	(37,383)		(28,701)	(28,701)
(822,549)	75,224	897,773	(955,499)	(51,440)	904,059
	(208,310)	(208,310)		(65,231)	(65,231)
\$ (822,549)	\$ (133,086)	\$ 689,463	\$ (955,499)	\$ (116,671)	\$ 838,828

(Continued)

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Limited English & Immigrant Students		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		75,020	75,020
<b>Total revenues</b>		<u>75,020</u>	<u>75,020</u>
<b>Expenditures:</b>			
Current -			
Instruction		3,301	(3,301)
Support services - students and staff	198,465	92,397	106,068
Support services - administration		735	(735)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>198,465</u>	<u>96,433</u>	<u>102,032</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(198,465)</u>	<u>(21,413)</u>	<u>177,052</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(5,732)	(5,732)
Insurance recoveries			
<b>Total other financing sources (uses)</b>		<u>(5,732)</u>	<u>(5,732)</u>
<b>Changes in fund balances</b>	<u>(198,465)</u>	<u>(27,145)</u>	<u>171,320</u>
<b>Fund balances (deficits), beginning of year, as restated</b>		(29,771)	(29,771)
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (198,465)</u>	<u>\$ (56,916)</u>	<u>\$ 141,549</u>

Special Education Grants			Vocational Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	6,737,205	6,737,205		663,219	663,219
	6,737,205	6,737,205		663,219	663,219
8,017,087	4,405,011	3,612,076	621,451	316,977	304,474
	485,934	(485,934)		259,094	(259,094)
	8,192	(8,192)		11,535	(11,535)
8,017,087	4,899,137	3,117,950	621,451	587,606	33,845
(8,017,087)	1,838,068	9,855,155	(621,451)	75,613	697,064
	(288,934)	(288,934)		(25,741)	(25,741)
	(288,934)	(288,934)		(25,741)	(25,741)
(8,017,087)	1,549,134	9,566,221	(621,451)	49,872	671,323
	(1,892,345)	(1,892,345)		(49,872)	(49,872)
\$ (8,017,087)	\$ (343,211)	\$ 7,673,876	\$ (621,451)	\$	\$ 621,451

(Continued)

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Homeless Education		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		66,118	66,118
<b>Total revenues</b>		<u>66,118</u>	<u>66,118</u>
<b>Expenditures:</b>			
Current -			
Instruction		9,927	(9,927)
Support services - students and staff	99,656	31,114	68,542
Support services - administration			
Operation and maintenance of plant services			
Student transportation services		17,366	(17,366)
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>99,656</u>	<u>58,407</u>	<u>41,249</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(99,656)</u>	<u>7,711</u>	<u>107,367</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(3,499)	(3,499)
Insurance recoveries			
<b>Total other financing sources (uses)</b>		<u>(3,499)</u>	<u>(3,499)</u>
<b>Changes in fund balances</b>	<u>(99,656)</u>	<u>4,212</u>	<u>103,868</u>
<b>Fund balances (deficits), beginning of year, as restated</b>		(10,143)	(10,143)
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (99,656)</u>	<u>\$ (5,931)</u>	<u>\$ 93,725</u>

Medicaid Reimbursement			E-Rate		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 94,526	\$ 94,526	\$	\$ 70,805	\$ 70,805
	2,602,855	2,602,855		438,845	438,845
	2,697,381	2,697,381		509,650	509,650
	293,954	(293,954)	500,000		500,000
	589,188	(589,188)			
	534,887	(534,887)			
2,300,000	3,016,243	(716,243)			
	116,103	(116,103)			
	98,963	(98,963)			
	1,558	(1,558)			
2,300,000	4,650,896	(2,350,896)	500,000		500,000
(2,300,000)	(1,953,515)	346,485	(500,000)	509,650	1,009,650
(2,300,000)	(1,953,515)	346,485	(500,000)	509,650	1,009,650
	5,532,172	5,532,172		3,619,539	3,619,539
\$ (2,300,000)	\$ 3,578,657	\$ 5,878,657	\$ (500,000)	\$ 4,129,189	\$ 4,629,189

(Continued)

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Other Federal Projects		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		1,832,110	1,832,110
<b>Total revenues</b>		<u>1,832,110</u>	<u>1,832,110</u>
<b>Expenditures:</b>			
Current -			
Instruction	6,298,023	1,705,946	4,592,077
Support services - students and staff		360,737	(360,737)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		6,829	(6,829)
<b>Total expenditures</b>	<u>6,298,023</u>	<u>2,073,512</u>	<u>4,224,511</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(6,298,023)</u>	<u>(241,402)</u>	<u>6,056,621</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(2,426)	(2,426)
Insurance recoveries			
<b>Total other financing sources (uses)</b>		<u>(2,426)</u>	<u>(2,426)</u>
<b>Changes in fund balances</b>	<u>(6,298,023)</u>	<u>(243,828)</u>	<u>6,054,195</u>
<b>Fund balances (deficits), beginning of year, as restated</b>		(114,106)	(114,106)
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (6,298,023)</u>	<u>\$ (357,934)</u>	<u>\$ 5,940,089</u>

State Vocational Education			Gifted		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	289,602	289,602		29,954	29,954
	289,602	289,602		29,954	29,954
289,602	142,353	147,249		2,719	(2,719)
	104,668	(104,668)	30,740	25,477	5,263
				100	(100)
	42,581	(42,581)		1,658	(1,658)
289,602	289,602		30,740	29,954	786
(289,602)		289,602	(30,740)		30,740
(289,602)		289,602	(30,740)		30,740
\$ (289,602)	\$	\$ 289,602	\$ (30,740)	\$	\$ 30,740

(Continued)



**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	College Credit Exam Incentives		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants		207,043	207,043
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>207,043</u>	<u>207,043</u>
<b>Expenditures:</b>			
Current -			
Instruction	250,000	234,256	15,744
Support services - students and staff		79,404	(79,404)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>250,000</u>	<u>313,660</u>	<u>(63,660)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(250,000)</u>	<u>(106,617)</u>	<u>143,383</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Insurance recoveries			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(250,000)</u>	<u>(106,617)</u>	<u>143,383</u>
<b>Fund balances (deficits), beginning of year, as restated</b>		324,443	324,443
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (250,000)</u>	<u>\$ 217,826</u>	<u>\$ 467,826</u>

Results-based Funding			Other State Projects		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	3,000,936	3,000,936		862,238	862,238
	<u>3,000,936</u>	<u>3,000,936</u>		<u>862,238</u>	<u>862,238</u>
2,500,000	1,284,088	1,215,912		8,424	(8,424)
	1,058,425	(1,058,425)	1,566,606	744,598	822,008
	45,695	(45,695)			
	2,102	(2,102)		294,810	(294,810)
	418	(418)			
				9,803	(9,803)
<u>2,500,000</u>	<u>2,390,728</u>	<u>109,272</u>	<u>1,566,606</u>	<u>1,057,635</u>	<u>508,971</u>
<u>(2,500,000)</u>	<u>610,208</u>	<u>3,110,208</u>	<u>(1,566,606)</u>	<u>(195,397)</u>	<u>1,371,209</u>
				(10,530)	(10,530)
				<u>(10,530)</u>	<u>(10,530)</u>
<u>(2,500,000)</u>	<u>610,208</u>	<u>3,110,208</u>	<u>(1,566,606)</u>	<u>(205,927)</u>	<u>1,360,679</u>
	2,699,614	2,699,614		12,706	12,706
<u>\$ (2,500,000)</u>	<u>\$ 3,309,822</u>	<u>\$ 5,809,822</u>	<u>\$ (1,566,606)</u>	<u>\$ (193,221)</u>	<u>\$ 1,373,385</u>

(Continued)

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	School Plant		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 25,033	\$ 25,033
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>25,033</u>	<u>25,033</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services	5,000		5,000
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>5,000</u>		<u>5,000</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(5,000)</u>	<u>25,033</u>	<u>30,033</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Insurance recoveries			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(5,000)</u>	<u>25,033</u>	<u>30,033</u>
<b>Fund balances (deficits), beginning of year, as restated</b>		436,240	436,240
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (5,000)</u>	<u>\$ 461,273</u>	<u>\$ 466,273</u>

Food Service			Civic Center		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 5,094,564	\$ 5,094,564	\$	\$ 1,391,526	\$ 1,391,526
	7,090,430	7,090,430			
	12,184,994	12,184,994		1,391,526	1,391,526
			2,500,000	718,948	1,781,052
				714	(714)
				55	(55)
	37,960	(37,960)		105,232	(105,232)
				14,386	(14,386)
12,300,000	11,712,913	587,087			
	37,023	(37,023)		234,978	(234,978)
12,300,000	11,787,896	512,104	2,500,000	1,074,313	1,425,687
(12,300,000)	397,098	12,697,098	(2,500,000)	317,213	2,817,213
(12,300,000)	397,098	12,697,098	(2,500,000)	317,213	2,817,213
	655,016	655,016		2,254,908	2,254,908
	240,960	240,960			
\$ (12,300,000)	\$ 1,293,074	\$ 13,593,074	\$ (2,500,000)	\$ 2,572,121	\$ 5,072,121

(Continued)

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Community School		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 6,410,608	\$ 6,410,608
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>6,410,608</u>	<u>6,410,608</u>
<b>Expenditures:</b>			
Current -			
Instruction	8,000,000	6,105,732	1,894,268
Support services - students and staff		282	(282)
Support services - administration		731,151	(731,151)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		73,430	(73,430)
<b>Total expenditures</b>	<u>8,000,000</u>	<u>6,910,595</u>	<u>1,089,405</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(8,000,000)</u>	<u>(499,987)</u>	<u>7,500,013</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Insurance recoveries			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(8,000,000)</u>	<u>(499,987)</u>	<u>7,500,013</u>
<b>Fund balances (deficits), beginning of year, as restated</b>		3,221,223	3,221,223
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (8,000,000)</u>	<u>\$ 2,721,236</u>	<u>\$ 10,721,236</u>

Auxiliary Operations			Extracurricular Activities Fees Tax Credit		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 2,555,036	\$ 2,555,036	\$	\$ 1,602,847	\$ 1,602,847
	<u>2,555,036</u>	<u>2,555,036</u>		<u>1,602,847</u>	<u>1,602,847</u>
	823,257	(823,257)	1,900,000	1,192,539	707,461
	130,460	(130,460)		733	(733)
	19,499	(19,499)		44,166	(44,166)
2,300,000	866,414	1,433,586			
	487,055	(487,055)		142,519	(142,519)
<u>2,300,000</u>	<u>2,326,685</u>	<u>(26,685)</u>	<u>1,900,000</u>	<u>1,379,957</u>	<u>520,043</u>
<u>(2,300,000)</u>	<u>228,351</u>	<u>2,528,351</u>	<u>(1,900,000)</u>	<u>222,890</u>	<u>2,122,890</u>
<u>(2,300,000)</u>	<u>228,351</u>	<u>2,528,351</u>	<u>(1,900,000)</u>	<u>222,890</u>	<u>2,122,890</u>
	2,114,469	2,114,469		1,706,194	1,706,194
<u>\$ (2,300,000)</u>	<u>\$ 2,342,820</u>	<u>\$ 4,642,820</u>	<u>\$ (1,900,000)</u>	<u>\$ 1,929,084</u>	<u>\$ 3,829,084</u>

(Continued)

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Gifts and Donations		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 601,146	\$ 601,146
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>601,146</u>	<u>601,146</u>
<b>Expenditures:</b>			
Current -			
Instruction	1,700,000	293,463	1,406,537
Support services - students and staff		5,667	(5,667)
Support services - administration		50,477	(50,477)
Operation and maintenance of plant services			
Student transportation services		475	(475)
Operation of non-instructional services		312	(312)
Capital outlay		253,720	(253,720)
<b>Total expenditures</b>	<u>1,700,000</u>	<u>604,114</u>	<u>1,095,886</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,700,000)</u>	<u>(2,968)</u>	<u>1,697,032</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Insurance recoveries			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(1,700,000)</u>	<u>(2,968)</u>	<u>1,697,032</u>
<b>Fund balances (deficits), beginning of year, as restated</b>		1,007,045	1,007,045
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (1,700,000)</u>	<u>\$ 1,004,077</u>	<u>\$ 2,704,077</u>

Fingerprint			School Opening		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 6,089	\$ 6,089	\$	\$	\$
	6,089	6,089			
20,000	6,089	13,911			
20,000	6,089	13,911			
(20,000)		20,000			
(20,000)		20,000			
				915,000	915,000
\$ (20,000)	\$	\$ 20,000	\$	\$ 915,000	\$ 915,000

(Continued)



**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Insurance Proceeds		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 2,901	\$ 2,901
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		2,901	2,901
<b>Expenditures:</b>			
Current -			
Instruction		10,819	(10,819)
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	150,000	57,726	92,274
<b>Total expenditures</b>	150,000	68,545	81,455
<b>Excess (deficiency) of revenues over expenditures</b>	(150,000)	(65,644)	84,356
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Insurance recoveries		174,486	174,486
<b>Total other financing sources (uses)</b>		174,486	174,486
<b>Changes in fund balances</b>	(150,000)	108,842	258,842
<b>Fund balances (deficits), beginning of year, as restated</b>		65,612	65,612
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (150,000)	\$ 174,454	\$ 324,454

Textbooks			Litigation Recovery		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 16,884	\$ 16,884	\$	\$ 979	\$ 979
	16,884	16,884		979	979
50,000	11,426 8,244	38,574 (8,244)	50,000		50,000
50,000	19,670	30,330	50,000		50,000
(50,000)	(2,786)	47,214	(50,000)	979	50,979
(50,000)	(2,786)	47,214	(50,000)	979	50,979
	142,832	142,832		72,370	72,370
\$ (50,000)	\$ 140,046	\$ 190,046	\$ (50,000)	\$ 73,349	\$ 123,349

(Continued)

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Indirect Costs		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 31,474	\$ 31,474
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		31,474	31,474
<b>Expenditures:</b>			
Current -			
Instruction		489	(489)
Support services - students and staff			
Support services - administration	2,000,000	312,374	1,687,626
Operation and maintenance of plant services		47,517	(47,517)
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	2,000,000	360,380	1,639,620
<b>Excess (deficiency) of revenues over expenditures</b>	(2,000,000)	(328,906)	1,671,094
<b>Other financing sources (uses):</b>			
Transfers in		668,215	668,215
Transfers out			
Insurance recoveries			
<b>Total other financing sources (uses)</b>		668,215	668,215
<b>Changes in fund balances</b>	(2,000,000)	339,309	2,339,309
<b>Fund balances (deficits), beginning of year, as restated</b>		1,805,098	1,805,098
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (2,000,000)	\$ 2,144,407	\$ 4,144,407

Career Technical Education			Student Activities		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,326,175	\$ 1,326,175	\$	\$ 2,833,400	\$ 2,833,400
	1,326,175	1,326,175		2,833,400	2,833,400
	217,285	(217,285)			
	248,320	(248,320)			
	63,216	(63,216)			
1,750,000	467,285	1,282,715		2,570,987	(2,570,987)
1,750,000	996,106	753,894		140,120	(140,120)
				2,711,107	(2,711,107)
(1,750,000)	330,069	2,080,069		122,293	122,293
(1,750,000)	330,069	2,080,069		122,293	122,293
	1,463,496	1,463,496		1,925,600	1,925,600
\$ (1,750,000)	\$ 1,793,565	\$ 3,543,565	\$	\$ 2,047,893	\$ 2,047,893

(Continued)

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Print Shop		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 642,903	\$ 642,903
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>642,903</u>	<u>642,903</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration	1,000,000	633,036	366,964
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		9,867	(9,867)
<b>Total expenditures</b>	<u>1,000,000</u>	<u>642,903</u>	<u>357,097</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,000,000)</u>		<u>1,000,000</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Insurance recoveries			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(1,000,000)</u>		<u>1,000,000</u>
<b>Fund balances (deficits), beginning of year, as restated</b>			
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (1,000,000)</u>	<u>\$</u>	<u>\$ 1,000,000</u>

Totals		
Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 22,832,158	\$ 22,832,158
	23,316,401	23,316,401
	26,510,205	26,510,205
	72,658,764	72,658,764
58,796,842	39,021,651	19,775,191
4,438,255	8,139,640	(3,701,385)
3,020,000	2,896,216	123,784
2,305,000	3,507,821	(1,202,821)
	160,328	(160,328)
14,600,000	15,280,096	(680,096)
1,900,000	2,162,803	(262,803)
85,060,097	71,168,555	13,891,542
(85,060,097)	1,490,209	86,550,306
	668,215	668,215
	(668,215)	(668,215)
	174,486	174,486
	174,486	174,486
(85,060,097)	1,664,695	86,724,792
	32,800,489	32,800,489
	240,960	240,960
\$ (85,060,097)	\$ 34,706,144	\$ 119,766,241

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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.



**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL DEBT SERVICE FUND**  
**YEAR ENDED JUNE 30, 2020**

	Debt Service		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 549,860	\$ 549,860
Property taxes		40,188,376	40,188,376
Federal aid, grants and reimbursements		22,598	22,598
<b>Total revenues</b>		<u>40,760,834</u>	<u>40,760,834</u>
<b>Expenditures:</b>			
Debt service -			
Principal retirement	32,800,000	32,800,000	
Interest and fiscal charges	9,200,000	8,125,522	1,074,478
<b>Total expenditures</b>	<u>42,000,000</u>	<u>40,925,522</u>	<u>1,074,478</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(42,000,000)</u>	<u>(164,688)</u>	<u>41,835,312</u>
<b>Other financing sources (uses):</b>			
Transfers in		693,067	693,067
<b>Total other financing sources (uses)</b>		<u>693,067</u>	<u>693,067</u>
<b>Changes in fund balances</b>	<u>(42,000,000)</u>	<u>528,379</u>	<u>42,528,379</u>
<b>Fund balances, beginning of year</b>		1,937,687	1,937,687
<b>Fund balances (deficits), end of year</b>	<u>\$ (42,000,000)</u>	<u>\$ 2,466,066</u>	<u>\$ 44,466,066</u>

## CAPITAL PROJECTS FUNDS

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

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

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

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

**Energy and Water Savings** - to account for capital investment monies, energy related rebate, or grant monies, and monies from other funding sources to fund energy or water savings projects in school facilities in accordance with A.R.S. §15-910.02.

**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.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS**  
**JUNE 30, 2020**

	<u>Adjacent Ways</u>	<u>Energy and Water Savings</u>	<u>New School Facilities</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 319,273	\$ 3,544,349	\$ 7,138
<b>Total assets</b>	<u>\$ 319,273</u>	<u>\$ 3,544,349</u>	<u>\$ 7,138</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
Fund balances:			
Restricted	\$ 319,273	\$ 3,544,349	\$ 7,138
<b>Total fund balances</b>	<u>319,273</u>	<u>3,544,349</u>	<u>7,138</u>
<b>Total liabilities and fund balances</b>	<u>\$ 319,273</u>	<u>\$ 3,544,349</u>	<u>\$ 7,138</u>

Totals	
\$	3,870,760
\$	3,870,760

\$	3,870,760
	3,870,760
\$	3,870,760

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	<u>Adjacent Ways</u>	<u>Energy and Water Savings</u>	<u>New School Facilities</u>
<b>Revenues:</b>			
Other local	\$ 1,972	\$ 402,486	\$ 143
Property taxes	500,000		
<b>Total revenues</b>	<u>501,972</u>	<u>402,486</u>	<u>143</u>
<b>Expenditures:</b>			
Capital outlay	603,382	21,591	
<b>Total expenditures</b>	<u>603,382</u>	<u>21,591</u>	
<b>Changes in fund balances</b>	<u>(101,410)</u>	<u>380,895</u>	<u>143</u>
<b>Fund balances, beginning of year</b>	420,683	3,163,454	6,995
<b>Fund balances, end of year</b>	<u>\$ 319,273</u>	<u>\$ 3,544,349</u>	<u>\$ 7,138</u>

Totals	
\$	404,601
	500,000
	<u>904,601</u>

	<u>624,973</u>
	<u>624,973</u>

	<u>279,628</u>
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	3,591,132
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\$	<u>3,870,760</u>
	<u>3,870,760</u>

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Unrestricted Capital Outlay		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 973,306	\$ 973,306
Property taxes		5,914,321	5,914,321
<b>Total revenues</b>		<u>6,887,627</u>	<u>6,887,627</u>
<b>Expenditures:</b>			
Capital outlay	9,003,496	8,131,637	871,859
Debt service -			
Bond issuance costs			
<b>Total expenditures</b>	<u>9,003,496</u>	<u>8,131,637</u>	<u>871,859</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(9,003,496)</u>	<u>(1,244,010)</u>	<u>7,759,486</u>
<b>Other financing sources (uses):</b>			
Transfers out			
Issuance of school improvement bonds			
Premium on sale of bonds			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(9,003,496)</u>	<u>(1,244,010)</u>	<u>7,759,486</u>
<b>Fund balances, beginning of year</b>		3,089,187	3,089,187
<b>Fund balances (deficits), end of year</b>	<u>\$ (9,003,496)</u>	<u>\$ 1,845,177</u>	<u>\$ 10,848,673</u>

Adjacent Ways			Bond Building		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,972	\$ 1,972	\$	\$ 691,382	\$ 691,382
	500,000	500,000			
	501,972	501,972		691,382	691,382
900,000	603,382	296,618	54,900,904	45,904,896	8,996,008
				332,311	(332,311)
900,000	603,382	296,618	54,900,904	46,237,207	8,663,697
(900,000)	(101,410)	798,590	(54,900,904)	(45,545,825)	9,355,079
				(693,067)	(693,067)
				33,520,000	33,520,000
				6,765,146	6,765,146
				39,592,079	39,592,079
(900,000)	(101,410)	798,590	(54,900,904)	(5,953,746)	48,947,158
	420,683	420,683		54,581,447	54,581,447
\$ (900,000)	\$ 319,273	\$ 1,219,273	\$ (54,900,904)	\$ 48,627,701	\$ 103,528,605

(Continued)



**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Condemnation		Variance -
	Budget	Actual	Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
Property taxes			
<b>Total revenues</b>			
<b>Expenditures:</b>			
Capital outlay	50,000		50,000
Debt service -			
Bond issuance costs			
<b>Total expenditures</b>	50,000		50,000
<b>Excess (deficiency) of revenues over expenditures</b>	(50,000)		50,000
<b>Other financing sources (uses):</b>			
Transfers out			
Issuance of school improvement bonds			
Premium on sale of bonds			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(50,000)		50,000
<b>Fund balances, beginning of year</b>			
<b>Fund balances (deficits), end of year</b>	\$ (50,000)	\$	\$ 50,000

Energy and Water Savings			New School Facilities		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 402,486	\$ 402,486	\$	\$ 143	\$ 143
	402,486	402,486		143	143
300,000	21,591	278,409			
300,000	21,591	278,409			
(300,000)	380,895	680,895		143	143
(300,000)	380,895	680,895		143	143
	3,163,454	3,163,454		6,995	6,995
\$ (300,000)	\$ 3,544,349	\$ 3,844,349	\$	\$ 7,138	\$ 7,138

(Continued)

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 2,069,289	\$ 2,069,289
Property taxes		6,414,321	6,414,321
<b>Total revenues</b>		<u>8,483,610</u>	<u>8,483,610</u>
<b>Expenditures:</b>			
Capital outlay	65,154,400	54,661,506	10,492,894
Debt service -			
Bond issuance costs		332,311	(332,311)
<b>Total expenditures</b>	<u>65,154,400</u>	<u>54,993,817</u>	<u>10,160,583</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(65,154,400)</u>	<u>(46,510,207)</u>	<u>18,644,193</u>
<b>Other financing sources (uses):</b>			
Transfers out		(693,067)	(693,067)
Issuance of school improvement bonds		33,520,000	33,520,000
Premium on sale of bonds		6,765,146	6,765,146
<b>Total other financing sources (uses)</b>		<u>39,592,079</u>	<u>39,592,079</u>
<b>Changes in fund balances</b>	<u>(65,154,400)</u>	<u>(6,918,128)</u>	<u>58,236,272</u>
<b>Fund balances, beginning of year</b>		61,261,766	61,261,766
<b>Fund balances (deficits), end of year</b>	<u>\$ (65,154,400)</u>	<u>\$ 54,343,638</u>	<u>\$ 119,498,038</u>

## **STATISTICAL SECTION**

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

### **Financial Trends**

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

### **Revenue Capacity**

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

### **Debt Capacity**

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

### **Demographic and Economic Information**

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

### **Operating Information**

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

**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 5 percent in annual growth. The aggregate assessed value of all taxable properties within a taxing jurisdiction (i.e., after applying assessment ratios based on the use of a property), including property values with a growth limit, is currently referred to as net limited assessed value and formerly as primary assessed value. In accordance with Proposition 117, this value is used for all taxing purposes beginning fiscal year 2015-16. Aggregate assessed value without a growth limit is currently referred to as net full cash assessed value and formerly as secondary assessed value. This remains the value utilized for determining debt capacity limits.

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**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
<b>Net Position:</b>					
Net investment in capital assets	\$ 221,874,621	\$ 218,568,375	\$ 213,368,499	\$ 212,136,118	\$ 217,947,521
Restricted	35,255,994	32,596,530	24,382,628	28,952,684	29,590,601
Unrestricted	(208,751,980)	(205,334,355)	(225,566,744)	(209,458,917)	(214,544,319)
Total net position	<u>\$ 48,378,635</u>	<u>\$ 45,830,550</u>	<u>\$ 12,184,383</u>	<u>\$ 31,629,885</u>	<u>\$ 32,993,803</u>
	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>
<b>Net Position:</b>					
Net investment in capital assets	\$ 220,364,031	\$ 229,528,647	\$ 228,739,623	\$ 223,698,222	\$ 220,595,636
Restricted	26,408,522	33,510,548	40,557,045	26,414,311	35,439,404
Unrestricted	(211,553,332)	32,084,596	38,132,605	51,834,739	43,041,363
Total net position	<u>\$ 35,219,221</u>	<u>\$ 295,123,791</u>	<u>\$ 307,429,273</u>	<u>\$ 301,947,272</u>	<u>\$ 299,076,403</u>

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

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
<b>Expenses</b>					
Instruction	\$ 201,233,455	\$ 173,105,599	\$ 172,598,604	\$ 172,908,733	\$ 157,226,657
Support services - students and staff	38,365,885	31,494,939	29,970,463	30,040,113	29,111,562
Support services - administration	31,822,791	26,769,402	26,249,731	27,607,299	27,908,310
Operation and maintenance of plant services	32,154,496	29,026,298	28,842,639	29,829,111	28,005,932
Student transportation services	15,291,490	13,324,534	13,076,429	12,600,850	12,022,268
Operation of non-instructional services	16,913,931	13,687,783	13,745,396	13,970,921	13,151,085
Interest on long-term debt	5,536,810	5,384,020	4,833,918	5,696,510	5,653,502
Total expenses	<u>341,318,858</u>	<u>292,792,575</u>	<u>289,317,180</u>	<u>292,653,537</u>	<u>273,079,316</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	9,088,418	12,389,014	11,858,044	10,220,948	10,174,953
Operation of non-instructional services	9,132,346	7,559,034	6,785,623	7,099,518	7,102,702
Other activities	2,372,919	933,937	545,671	3,054,834	1,412,243
Operating grants and contributions	28,229,902	28,135,537	25,409,414	25,022,314	24,299,679
Capital grants and contributions	3,415,904	742,737	1,309,316	473,048	1,602,723
Total program revenues	<u>52,239,489</u>	<u>49,760,259</u>	<u>45,908,068</u>	<u>45,870,662</u>	<u>44,592,300</u>
<b>Net (Expense)/Revenue</b>	<u><u>\$ (289,079,369)</u></u>	<u><u>\$ (243,032,316)</u></u>	<u><u>\$ (243,409,112)</u></u>	<u><u>\$ (246,782,875)</u></u>	<u><u>\$ (228,487,016)</u></u>

(Continued)

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Expenses</b>					
Instruction	\$ 170,364,106	\$ 161,208,569	\$ 161,115,138	\$ 160,640,976	\$ 161,424,925
Support services - students and staff	32,095,136	27,828,807	26,737,596	24,867,191	26,486,608
Support services - administration	25,543,925	24,048,729	22,718,611	23,793,638	24,492,675
Operation and maintenance of plant services	24,606,039	26,228,470	26,717,318	27,503,685	27,549,465
Student transportation services	13,649,693	13,330,950	12,483,266	13,611,292	12,304,827
Operation of non-instructional services	13,555,400	13,788,984	13,892,315	14,415,542	13,398,450
Interest on long-term debt	6,464,780	7,326,049	6,779,082	7,585,796	6,881,606
Total expenses	<u>286,279,079</u>	<u>273,760,558</u>	<u>270,443,326</u>	<u>272,418,120</u>	<u>272,538,556</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	8,943,102	9,622,585	11,693,319	11,014,181	11,800,010
Operation of non-instructional services	6,888,375	6,916,560	7,208,949	7,551,375	7,460,759
Other activities	1,994,426	2,637,438	1,009,517	1,571,435	1,243,308
Operating grants and contributions	23,554,864	22,731,304	22,102,824	22,853,434	30,585,147
Capital grants and contributions	1,273,250	957,247	801,395	1,238,999	2,116,446
Total program revenues	<u>42,654,017</u>	<u>42,865,134</u>	<u>42,816,004</u>	<u>44,229,424</u>	<u>53,205,670</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (243,625,062)</u>	<u>\$ (230,895,424)</u>	<u>\$ (227,627,322)</u>	<u>\$ (228,188,696)</u>	<u>\$ (219,332,886)</u>

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

(Concluded)



**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
<b>Net (Expense)/Revenue</b>	\$ (289,079,369)	\$ (243,032,316)	\$ (243,409,112)	\$ (246,782,875)	\$ (228,487,016)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	96,170,390	98,414,835	106,243,439	94,898,437	84,314,377
Property taxes, levied for debt service	40,315,737	38,738,358	34,519,107	31,591,526	26,856,845
Property taxes, levied for capital outlay	6,414,321	7,931,083	5,060	4,693,940	1,412,351
Investment income	2,918,428	1,566,767	1,029,560	845,179	608,696
Unrestricted county aid	9,629,836	8,145,068	7,455,420	7,527,929	7,246,259
Unrestricted state aid	130,929,138	119,510,156	105,371,819	104,191,730	104,481,503
Unrestricted federal aid	2,602,855	2,372,216	2,094,660	1,670,216	1,341,567
<b>Total general revenues</b>	<b><u>288,980,705</u></b>	<b><u>276,678,483</u></b>	<b><u>256,719,065</u></b>	<b><u>245,418,957</u></b>	<b><u>226,261,598</u></b>
<b>Changes in Net Position</b>	<b><u>\$ (98,664)</u></b>	<b><u>\$ 33,646,167</u></b>	<b><u>\$ 13,309,953</u></b>	<b><u>\$ (1,363,918)</u></b>	<b><u>\$ (2,225,418)</u></b>

(Continued)

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Net (Expense)/Revenue</b>	\$ (243,625,062)	\$ (230,895,424)	\$ (227,627,322)	\$ (228,188,696)	\$ (219,332,886)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	84,093,203	81,023,342	79,505,095	87,246,008	95,638,136
Property taxes, levied for debt service	29,687,941	31,504,757	35,999,841	30,488,152	35,703,934
Property taxes, levied for capital outlay	4,924,837	446,198	8,907,228	7,186,851	819,261
Investment income	487,847	426,224	501,960	606,205	1,045,422
Unrestricted county aid	6,957,821	8,513,082	9,623,444	8,666,582	8,456,113
Unrestricted state aid	97,955,690	99,793,503	98,173,650	96,298,153	98,772,657
Unrestricted federal aid	243,553	1,074,691	398,105	567,614	1,056,573
<b>Total general revenues</b>	<u>224,350,892</u>	<u>222,781,797</u>	<u>233,109,323</u>	<u>231,059,565</u>	<u>241,492,096</u>
<b>Changes in Net Position</b>	<u>\$ (19,274,170)</u>	<u>\$ (8,113,627)</u>	<u>\$ 5,482,001</u>	<u>\$ 2,870,869</u>	<u>\$ 22,159,210</u>

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

(Concluded)

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
General Fund:					
Nondisposable	\$ 864,612	\$ 991,757	\$ 739,440	\$ 753,594	\$ 854,940
Restricted	1,845,177	3,089,187	361,706	3,308,608	3,974,904
Unassigned	27,625,901	15,985,251	14,570,433	7,643,040	13,061,363
Total General Fund	<u>\$ 30,335,690</u>	<u>\$ 20,066,195</u>	<u>\$ 15,671,579</u>	<u>\$ 11,705,242</u>	<u>\$ 17,891,207</u>
All Other Governmental Funds:					
Nondisposable	\$ 598,488	\$ 357,528	\$ 258,966	\$ 309,358	\$ 263,760
Restricted	80,973,047	83,391,640	48,457,983	43,655,197	44,988,994
Unassigned	(1,590,824)	(3,704,974)	(750,262)		(560,893)
Total all other governmental funds	<u>\$ 79,980,711</u>	<u>\$ 80,044,194</u>	<u>\$ 47,966,687</u>	<u>\$ 43,964,555</u>	<u>\$ 44,691,861</u>

(Continued)

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u><b>2015</b></u>	<u><b>2014</b></u>	<u><b>2013</b></u>	<u><b>2012</b></u>	<u><b>2011</b></u>
General Fund:					
Nonspendable	\$ 1,066,281	\$ 1,038,473	\$ 1,062,302	\$ 860,175	\$ 629,301
Restricted	4,810,040	6,531,580	13,225,655	8,243,037	7,021,678
Assigned				804,478	932,870
Unassigned	7,390,477	12,352,030	14,587,043	19,962,299	21,545,212
Total General Fund	<u>\$ 13,266,798</u>	<u>\$ 19,922,083</u>	<u>\$ 28,875,000</u>	<u>\$ 29,869,989</u>	<u>\$ 30,129,061</u>
All Other Governmental Funds:					
Nonspendable	\$ 325,622	\$ 251,952	\$ 238,808	\$ 311,908	\$ 313,970
Restricted	31,843,608	52,510,802	37,673,985	33,370,238	37,244,070
Unassigned	(448,229)	(410,252)	(402,642)		(2,548,886)
Total all other governmental funds	<u>\$ 31,721,001</u>	<u>\$ 52,352,502</u>	<u>\$ 37,510,151</u>	<u>\$ 33,682,146</u>	<u>\$ 35,009,154</u>

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

**(Concluded)**

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
<b>Federal sources:</b>					
Federal grants	\$ 19,442,373	\$ 15,230,604	\$ 15,537,854	\$ 16,519,201	\$ 16,547,434
National School Lunch Program	7,090,430	6,683,615	6,552,947	6,923,058	6,539,203
Total federal sources	<u>26,532,803</u>	<u>21,914,219</u>	<u>22,090,801</u>	<u>23,442,259</u>	<u>23,086,637</u>
<b>State sources:</b>					
State equalization assistance	110,883,504	99,994,791	88,680,270	89,667,905	90,241,884
State grants	4,722,113	3,188,981	2,783,063	730,647	568,922
Other revenues	20,045,634	19,816,360	16,691,549	15,229,408	14,712,881
Total state sources	<u>135,651,251</u>	<u>123,000,132</u>	<u>108,154,882</u>	<u>105,627,960</u>	<u>105,523,687</u>
<b>Local sources:</b>					
Property taxes	150,474,038	146,839,956	140,799,921	131,617,027	118,187,322
County aid	9,629,836	8,145,068	7,455,420	7,527,929	7,246,259
Food service sales	5,074,486	6,128,533	5,569,759	5,874,977	5,904,915
Investment income	2,918,428	1,566,767	1,060,397	845,179	608,696
Other revenues	18,048,639	17,566,144	16,825,219	17,391,985	15,870,223
Total local sources	<u>186,145,427</u>	<u>180,246,468</u>	<u>171,710,716</u>	<u>163,257,097</u>	<u>147,817,415</u>
<b>Total revenues</b>	<u><u>\$ 348,329,481</u></u>	<u><u>\$ 325,160,819</u></u>	<u><u>\$ 301,956,399</u></u>	<u><u>\$ 292,327,316</u></u>	<u><u>\$ 276,427,739</u></u>

(Continued)

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Federal sources:</b>					
Federal grants	\$ 15,922,489	\$ 15,280,733	\$ 15,145,877	\$ 16,690,909	\$ 18,428,325
State Fiscal Stabilization (ARRA)					1,056,573
Education Jobs				99,418	6,477,582
National School Lunch Program	6,391,828	5,799,923	5,346,320	5,235,147	5,068,639
Total federal sources	<u>22,314,317</u>	<u>21,080,656</u>	<u>20,492,197</u>	<u>22,025,474</u>	<u>31,031,119</u>
<b>State sources:</b>					
State equalization assistance	84,547,666	86,161,861	87,318,173	85,918,187	89,328,887
State grants	629,185	801,249	844,037	375,026	685,277
Other revenues	13,686,753	13,631,642	10,855,477	10,909,065	9,443,974
Total state sources	<u>98,863,604</u>	<u>100,594,752</u>	<u>99,017,687</u>	<u>97,202,278</u>	<u>99,458,138</u>
<b>Local sources:</b>					
Property taxes	118,413,791	112,758,462	123,745,818	125,070,542	132,136,342
County aid	6,957,821	8,513,082	9,623,444	8,666,582	8,456,113
Food service sales	5,965,525	6,026,272	6,236,788	6,835,326	6,733,847
Investment income	487,847	426,224	501,960	606,205	1,036,340
Other revenues	14,474,085	15,110,721	15,223,078	15,032,113	15,811,796
Total local sources	<u>146,299,069</u>	<u>142,834,761</u>	<u>155,331,088</u>	<u>156,210,768</u>	<u>164,174,438</u>
<b>Total revenues</b>	<u>\$ 267,476,990</u>	<u>\$ 264,510,169</u>	<u>\$ 274,840,972</u>	<u>\$ 275,438,520</u>	<u>\$ 294,663,695</u>

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

**(Concluded)**

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 167,383,517	\$ 161,959,709	\$ 155,368,469	\$ 155,525,463	\$ 138,446,153
Support services - students and staff	31,528,012	28,468,977	25,882,149	26,000,169	25,028,318
Support services - administration	28,293,003	26,776,356	25,552,816	27,279,748	25,973,116
Operation and maintenance of plant services	29,194,217	27,922,452	27,360,453	27,708,391	26,425,382
Student transportation services	11,349,467	11,021,069	10,505,332	10,096,317	9,477,935
Operation of non-instructional services	15,513,307	12,969,468	12,623,052	12,955,616	11,929,292
Capital outlay	56,824,309	33,220,740	27,096,917	30,696,069	24,034,017
Debt service -					
Interest and fiscal charges	8,125,522	7,033,620	6,421,859	6,602,262	6,573,269
Principal retirement	32,800,000	33,350,000	29,140,000	27,611,116	21,887,190
Bond issuance costs	332,311	374,059	243,613	237,213	467,664
<b>Total expenditures</b>	<u><u>\$ 381,343,665</u></u>	<u><u>\$ 343,096,450</u></u>	<u><u>\$ 320,194,660</u></u>	<u><u>\$ 324,712,364</u></u>	<u><u>\$ 290,242,336</u></u>
 Expenditures for capitalized assets	 \$ 28,239,140	 \$ 13,386,861	 \$ 7,152,759	 \$ 11,752,714	 \$ 7,309,236
 Debt service as a percentage of noncapital expenditures	 12%	 12%	 11%	 11%	 10%

(Continued)

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 146,898,523	\$ 137,381,221	\$ 138,178,063	\$ 138,290,017	\$ 138,665,342
Support services - students and staff	26,506,298	25,273,869	23,998,043	22,354,068	24,277,965
Support services - administration	23,480,864	22,930,600	21,957,824	21,355,929	22,306,421
Operation and maintenance of plant services	23,435,561	24,742,894	25,099,155	26,492,209	26,813,149
Student transportation services	10,262,564	11,709,335	10,669,371	11,136,547	10,481,225
Operation of non-instructional services	12,339,280	11,868,005	11,620,574	11,801,057	11,535,072
Capital outlay	44,407,546	28,261,590	28,351,448	40,497,789	48,236,882
Debt service -					
Interest and fiscal charges	7,206,276	7,798,062	7,700,362	8,823,356	8,117,498
Principal retirement	26,448,433	24,704,838	29,320,219	27,740,000	26,950,000
Bond issuance costs	372,588	268,826	187,427	225,087	276,714
<b>Total expenditures</b>	<u><u>\$ 321,357,933</u></u>	<u><u>\$ 294,939,240</u></u>	<u><u>\$ 297,082,486</u></u>	<u><u>\$ 308,716,059</u></u>	<u><u>\$ 317,660,268</u></u>
Expenditures for capitalized assets	\$ 20,149,028	\$ 10,739,515	\$ 12,008,559	\$ 21,964,845	\$ 29,914,111
Debt service as a percentage of noncapital expenditures	11%	11%	13%	13%	12%

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

**(Concluded)**



**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**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>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (33,014,184)	\$ (17,935,631)	\$ (18,238,261)	\$ (32,385,048)	\$ (13,814,597)
<b>Other financing sources (uses):</b>					
Issuance of school improvement bonds	33,520,000	45,555,000	23,000,000	22,065,000	30,000,000
Refunding bonds issued					19,200,000
Premium on sale of bonds	6,765,146	8,451,990	3,263,207	3,462,525	5,127,069
Transfers in	1,361,282	2,128,325	3,468,709	2,245,468	2,502,257
Transfers out	(1,361,282)	(2,128,325)	(3,468,709)	(2,245,468)	(2,502,257)
Payment to refunded bond escrow agent					(22,644,000)
Insurance Recoveries	174,486	49,885	8,069		
Total other financing sources (uses)	<u>40,459,632</u>	<u>54,056,875</u>	<u>26,271,276</u>	<u>25,527,525</u>	<u>31,683,069</u>
<b>Changes in fund balances</b>	<u>\$ 7,445,448</u>	<u>\$ 36,121,244</u>	<u>\$ 8,033,015</u>	<u>\$ (6,857,523)</u>	<u>\$ 17,868,472</u>
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (53,880,943)	\$ (30,429,071)	\$ (22,241,514)	\$ (33,277,539)	\$ (22,996,573)
<b>Other financing sources (uses):</b>					
Issuance of school improvement bonds	25,000,000	34,600,000	23,400,000	30,000,000	30,000,000
Refunding bonds issued	17,250,000				19,600,000
Premium on sale of bonds	2,451,583	1,729,190	1,108,707	1,462,647	3,175,681
Capital lease agreements			436,796		
Transfers in	2,981,801	3,118,918	2,026,977	2,913,668	2,398,360
Transfers out	(2,981,801)	(3,118,918)	(2,026,977)	(2,913,668)	(2,398,360)
Payment to refunded bond escrow agent	(18,208,904)				(21,217,726)
Total other financing sources (uses)	<u>26,492,679</u>	<u>36,329,190</u>	<u>24,945,503</u>	<u>31,462,647</u>	<u>31,557,955</u>
<b>Changes in fund balances</b>	<u>\$ (27,388,264)</u>	<u>\$ 5,900,119</u>	<u>\$ 2,703,989</u>	<u>\$ (1,814,892)</u>	<u>\$ 8,561,382</u>

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

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**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>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Commercial, Industrial, Utilities and Mining	\$ 826,558,123	\$ 761,062,984	\$ 721,190,604	\$ 681,631,922	\$ 671,946,721
Agricultural and Vacant	71,528,179	69,998,654	75,106,860	68,059,234	79,171,731
Residential (Owner Occupied)	1,416,104,448	1,342,686,975	1,265,509,869	1,190,591,898	1,126,413,548
Residential (Rental)	445,325,258	401,350,801	378,524,705	359,288,024	328,889,470
Historical Property				2,460	50,165
Certain Government Property Improvements	11,986	11,416	29,437	47,833	44,921
Total	<u>\$ 2,759,527,994</u>	<u>\$ 2,575,110,830</u>	<u>\$ 2,440,361,475</u>	<u>\$ 2,299,621,371</u>	<u>\$ 2,206,516,556</u>
Gross Full Cash Value	\$ 25,966,279,377	\$ 31,188,278,860	\$ 28,865,489,572	\$ 26,839,880,722	\$ 24,946,365,041
Ratio of Net Limited Assessed Value to Gross Full Cash Value	11%	8%	8%	9%	9%
Total Direct Rate	6.28	6.63	6.75	6.70	6.32

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Commercial, Industrial, Utilities and Mining	\$ 665,020,979	\$ 673,146,645	\$ 737,113,318	\$ 791,080,929	\$ 950,150,734
Agricultural and Vacant	78,061,966	77,125,484	87,534,143	132,080,271	211,556,425
Residential (Owner Occupied)	1,074,343,122	994,929,421	1,099,647,650	1,186,718,864	1,456,042,054
Residential (Rental)	295,906,657	243,448,385	169,404,087	169,216,026	206,818,811
Historical Property	63,275	68,210	245,716	251,741	5,013
Certain Government Property Improvements	67,510	69,801	25,204	26,895	
Total	<u>\$ 2,113,463,509</u>	<u>\$ 1,988,787,946</u>	<u>\$ 2,093,970,118</u>	<u>\$ 2,279,374,726</u>	<u>\$ 2,824,573,037</u>
Gross Full Cash Value	\$ 20,548,494,355	\$ 18,400,045,835	\$ 18,920,602,509	\$ 20,759,174,244	\$ 26,582,109,322
Ratio of Net Limited Assessed Value to Gross Full Cash Value	10%	11%	11%	11%	11%
Total Direct Rate	6.48	6.58	6.76	6.25	5.34

**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.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**NET FULL CASH ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS**  
**LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Commercial, Industrial, Utilities and Mining	\$ 994,338,757	\$ 904,818,557	\$ 844,412,181	\$ 781,951,167	\$ 709,189,824
Agricultural and Vacant	126,232,723	127,960,158	132,967,026	109,066,051	111,461,318
Residential (Owner Occupied)	1,752,662,070	1,657,836,437	1,527,819,973	1,463,683,853	1,392,770,513
Residential (Rental)	623,724,226	544,014,388	498,507,800	458,283,798	415,033,666
Historical Property				8,856	200,660
Certain Government Property Improvements	15,535	12,771	29,437	51,056	44,921
Total	\$ 3,496,973,311	\$ 3,234,642,311	\$ 3,003,736,417	\$ 2,813,044,781	\$ 2,628,700,902
Gross Full Cash Value	\$ 25,966,279,377	\$ 31,188,278,860	\$ 28,865,489,572	\$ 26,839,880,722	\$ 24,946,365,041
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	13.47%	10.37%	10.41%	10.48%	10.54%
Estimated Net Full Cash Value	33,436,060,147	27,048,394,231	25,065,863,198	23,620,304,554	21,840,173,724
Total Direct Rate	6.28	6.63	6.75	6.70	6.32

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Commercial, Industrial, Utilities and Mining	\$ 676,549,865	\$ 675,117,708	\$ 740,684,079	\$ 795,989,415	\$ 1,046,510,791
Agricultural and Vacant	82,783,936	79,498,521	88,775,254	134,021,777	243,299,060
Residential (Owner Occupied)	1,126,038,005	996,582,630	1,100,284,834	1,187,300,865	1,459,093,915
Residential (Rental)	317,314,091	246,020,647	169,820,817	169,293,611	212,917,079
Historical Property	240,445	266,017	982,865	1,006,962	21,054
Certain Government Property Improvements	67,670	70,129	25,204	26,895	
Total	\$ 2,202,994,012	\$ 1,997,555,652	\$ 2,100,573,053	\$ 2,287,639,525	\$ 2,961,841,899
Gross Full Cash Value	\$ 20,548,494,355	\$ 18,400,045,835	\$ 18,920,602,509	\$ 20,759,174,244	\$ 26,582,109,322
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10.72%	10.86%	11.10%	11.02%	11.14%
Estimated Net Full Cash Value	17,901,140,503	15,843,658,596	16,460,456,102	17,798,176,226	22,481,433,262
Total Direct Rate	6.48	6.58	6.76	6.25	5.34

**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.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**PROPERTY TAX ASSESSMENT RATIOS**  
**LAST TEN FISCAL YEARS**

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

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Commercial, Industrial, Utilities and Mining	19 %	20 %	20 %	20 %	21 %
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	16	15	15	15	17

**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.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Overlapping Rates											District Direct Rates		
	State		Flood	Daisy	Community	Central				Town of	Western			
	Equalization	County	Control District	Mountain Fire District	College District	Arizona Water	City of Phoenix	City of Glendale	City of Peoria	Cave Creek	Maricopa Education District	Primary	Secondary	Total
2020	0.44	1.40	0.18	3.48	1.29	0.14	2.13	1.80	1.44	N/A	0.17	3.80	2.49	6.28
2019	0.47	1.40	0.18	3.50	1.38	0.14	2.14	1.98	1.44	N/A	0.15	4.07	2.56	6.63
2018	0.49	1.40	0.18	3.74	1.41	0.14	2.16	2.08	1.44	N/A	0.18	4.28	2.47	6.75
2017	0.50	1.40	0.18	3.25	1.47	0.14	2.17	2.15	1.44	N/A	0.08	4.25	2.45	6.70
2016	0.51	1.36	0.16	3.25	1.49	0.14	1.82	2.20	1.44	N/A	0.07	4.36	1.96	6.32
2015	0.51	1.32	0.14	3.25	1.52	0.14	1.82	2.15	1.44	N/A	0.08	4.41	2.07	6.48
2014	0.51	1.28	0.14	3.25	1.53	0.14	1.82	2.29	1.44	N/A	0.06	4.21	2.37	6.58
2013	0.47	1.24	0.18	3.25	1.38	0.10	1.82	1.90	1.44	N/A	0.05	3.91	2.85	6.76
2012	0.43	3.36	0.18	2.98	1.21	0.10	1.82	1.60	1.44	0.08	0.05	3.86	2.39	6.25
2011	0.36	1.05	0.15	2.42	0.97	0.10	1.82	1.60	1.44	0.65	0.05	3.31	2.03	5.34

**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.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

Taxpayer	2020			2011	
	Net Limited Assessed Valuation	Percentage of District's Net Limited Assessed Valuation		Net Full Cash Assessed Valuation	Percentage of District's Net Full Cash Assessed Valuation
Arizona Public Service Company	\$ 70,641,191	2.56 %		\$ 55,617,026	1.88 %
United Services Automobile Association	22,951,798	0.83		15,012,481	0.51
Safeway Inc	16,555,031	0.60		15,105,950	0.51
Aligned Data Centers Phoenix Propco LLC	13,427,116	0.49			
Vestar Arizona XXXI LLC	11,647,728	0.42			
Arrowhead Towne Center LLC	11,475,617	0.42			
VHS Of Arrowhead Inc	10,890,998	0.39		13,922,628	0.47
Cole PM Phoenix AZ LLC	10,638,684	0.39			
Southwest Gas Corporation (T&D)	9,658,691	0.35		10,153,446	0.34
American Express Travel Related Svcs	8,680,715	0.31			
New River Associates				11,935,697	0.40
Pr 2700 Yorkshire LLC				11,040,145	0.37
John C Lincoln Health Network				8,160,508	0.28
Norterra West SPE LLC				7,825,961	0.26
Honeywell				7,526,306	0.25
Total	<u>\$ 186,567,569</u>	<u>6.76 %</u>		<u>\$ 156,300,148</u>	<u>5.02 %</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.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30</b>	<b>Taxes Levied for the Fiscal Year</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Fiscal Years</b>	<b>Collected to the End of the Current Fiscal Year</b>	
		<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2020	\$ 176,932,720	\$ 168,043,314	94.98 %	\$	\$ 168,043,314	94.98 %
2019	171,726,991	162,563,214	94.66	8,399,112	170,962,326	99.55
2018	163,768,857	155,227,475	94.78	8,541,382	163,768,857	100.00
2017	154,520,005	145,178,656	93.95	9,316,333	154,494,989	99.98
2016	139,305,956	136,874,426	98.25	2,410,511	139,284,937	99.98
2015	138,765,797	130,606,733	94.12	8,113,591	138,720,324	99.97
2014	131,118,809	123,359,677	94.08	7,719,922	131,079,599	99.97
2013	142,198,507	134,389,152	94.51	7,788,633	142,177,785	99.99
2012	142,342,419	133,721,939	93.94	8,597,943	142,319,882	99.98
2011	153,602,010	145,849,757	94.95	7,752,253	153,602,010	100.00

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

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

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

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	General Obligation Bonds						Total Outstanding Debt				
	General Obligation Bonds and Premium	Less: Amounts Restricted for Principal	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Capital Leases	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Percentage of Personal Income	
2020	\$ 254,947,235	\$ 2,933,049	\$ 252,014,186	0.97 %	\$ 913	\$	\$ 254,947,235	0.98 %	\$ 923	0.11 %	
2019	251,117,229	2,277,309	248,839,920	0.80	923		251,117,229	0.81	931	0.12	
2018	228,416,267	2,993,104	225,423,163	0.78	851		228,416,267	0.79	862	0.12	
2017	231,777,429	2,152,341	229,625,088	0.86	908		231,777,429	0.86	916	0.13	
2016	229,791,718	3,825,406	225,966,312	0.91	904	91,116	229,882,834	0.92	920	0.12	
2015	222,614,484	3,533,876	219,080,608	1.07	887	178,306	222,792,790	1.08	902	0.13	
2014	215,400,000	5,172,813	210,227,187	1.14	858	261,739	215,661,739	1.17	880	0.15	
2013	210,025,000	3,744,632	206,280,368	1.09	825	341,577	210,366,577	1.11	841	0.14	
2012	214,365,000	2,575,851	211,789,149	1.02	882		214,365,000	1.03	893	0.15	
2011	184,365,000	5,822,677	178,542,323	0.67	747		184,365,000	0.69	771	0.13	

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



**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**JUNE 30, 2020**

<b>Governmental Unit</b>	<b>Debt Outstanding</b>	<b>Estimated Percentage Applicable to School District</b>	<b>Estimated Amount Applicable to School District</b>
Overlapping:			
Maricopa County Community College District	\$ 312,450,000	6.39 %	\$ 19,965,555
Maricopa County Special Health Care District	459,125,000	6.39	29,338,088
City of Glendale	116,100,000	37.70	43,769,700
City of Peoria	132,365,000	13.69	18,120,769
City of Phoenix	1,085,050,000	11.50	124,780,750
Daisy Mountain Fire District	14,663,969	100.00	14,663,969
Western Maricopa Education Center District No. 402	169,545,000	17.32	29,365,194
Subtotal, Overlapping Debt			<u>280,004,025</u>
Direct:			
Deer Valley Unified School District No. 97			<u>254,947,235</u>
Total Direct and Overlapping Governmental Activities Debt			<u><u>\$ 534,951,260</u></u>

**DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS**

Net Direct General Obligation Bonded Debt	
As a Percentage of Net Limited Assessed Valuation	8.99 %
Net Direct and Overlapping General Bonded Debt	
Per Capita	\$ 1,920
As a Percentage of Net Limited Assessed Valuation	19.13 %
As a Percentage of Gross Full Cash Value	2.03 %

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

- Notes:** 1) Estimated percentage of debt outstanding applicable to the District is calculated based on a portion of the District's net limited assessed valuation as a percentage of the net limited assessed valuation of the overlapping jurisdiction.
- 2) Outstanding debt as of June 30, 2019 is presented for the overlapping governments as this is the most recent available information.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**

**Class B Bond Legal Debt Margin Calculation for Fiscal Year 2020:**

Net full cash assessed valuation	\$ 3,496,973,311
Debt limit (20% of assessed value)	699,394,662
Debt applicable to limit	<u>250,915,000</u>
Legal debt margin	<u>\$ 448,479,662</u>

**Total Legal Debt Margin Calculation for Fiscal Year 2020:**

Net full cash assessed valuation	\$ 3,496,973,311
Debt limit (30% of assessed value)	1,049,091,993
Debt applicable to limit	<u>250,915,000</u>
Legal debt margin	<u>\$ 798,176,993</u>

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>
Debt Limit	\$ 1,049,091,993	\$ 970,392,693	\$ 901,120,925	\$ 843,913,434	\$ 788,610,271
Total net debt applicable to limit	<u>250,915,000</u>	<u>\$ 244,265,000</u>	<u>\$ 219,737,000</u>	<u>\$ 222,610,000</u>	<u>\$ 219,410,000</u>
Legal debt margin	<u>\$ 798,176,993</u>	<u>\$ 726,127,693</u>	<u>\$ 681,383,925</u>	<u>\$ 621,303,434</u>	<u>\$ 569,200,271</u>
Total net debt applicable to the limit as a percentage of debt limit	24%	25%	24%	26%	28%
	<u><b>2015</b></u>	<u><b>2014</b></u>	<u><b>2013</b></u>	<u><b>2012</b></u>	<u><b>2011</b></u>
Debt Limit	\$ 660,898,204	\$ 599,266,696	\$ 630,171,916	\$ 686,291,858	\$ 888,552,570
Total net debt applicable to limit	<u>\$ 215,775,000</u>	<u>\$ 215,400,000</u>	<u>\$ 210,025,000</u>	<u>\$ 214,365,000</u>	<u>\$ 184,365,000</u>
Legal debt margin	<u>\$ 445,123,204</u>	<u>\$ 383,866,696</u>	<u>\$ 420,146,916</u>	<u>\$ 471,926,858</u>	<u>\$ 704,187,570</u>
Total net debt applicable to the limit as a percentage of debt limit	33%	36%	33%	31%	21%

**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.

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**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>
2019	4,367,835	\$	222,943,072	\$	49,704	4.0 %	275,000
2018	4,294,460		210,370,180		47,694	4.1	269,651
2017	4,221,684		196,286,191		45,573	4.2	265,000
2016	4,137,076		185,111,698		43,628	4.5	253,000
2015	4,076,438		184,784,917		42,092	5.5	250,000
2014	4,087,191		168,483,421		41,222	5.9	247,000
2013	4,009,412		147,700,000		27,552	6.2	245,000
2012	3,825,058		147,374,500		38,538	9.1	250,000
2011	3,843,370		142,864,275		37,352	8.4	240,000
2010	3,817,117		142,091,618		35,319	8.5	239,044

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

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**PRINCIPAL EMPLOYERS**  
**CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

Employer	2020			2011		
	Employees	Percentage of Total Employment		Employees	Percentage of Total Employment	
Banner Health	45,894	2.23	%	28,220	1.47	%
State of Arizona	37,040	1.80		49,282	2.56	
Walmart Stores	33,619	1.63		30,608	1.59	
Fry's Food Stores	20,165	0.98				
Wells Fargo	16,300	0.79		13,100	0.68	
University of Arizona	15,967	0.78				
Amazon.com	15,000	0.73				
Arizona State University	14,889	0.72		12,221	0.64	
City of Phoenix	14,821	0.72		15,544	0.81	
Maricopa County	13,595	0.66		12,458	0.65	
Apollo Group Inc.				13,000	0.68	
Raytheon Co.				12,000	0.62	
Bank of America				12,000	0.62	
Total	227,290	11.04	%	198,433	9.70	%
Total employment	2,060,000			1,923,600		

**Source:** The Phoenix Business Journal Book of Lists

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

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE**  
**LAST TEN FISCAL YEARS**

	Full-time Equivalent Employees as of June 30				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Supervisory</b>					
Superintendent, Assoc Superintendents and Directors	48	47	46	47	45
Principals	39	38	38	38	38
Assistant principals	32	30	31	31	26
Total supervisory	<u>119</u>	<u>115</u>	<u>115</u>	<u>116</u>	<u>109</u>
<b>Instruction</b>					
Teachers	1,963	1,935	1,945	1,907	1,855
Aides	303	296	294	290	257
Total instruction	<u>2,266</u>	<u>2,231</u>	<u>2,239</u>	<u>2,197</u>	<u>2,112</u>
<b>Student Services</b>					
Counselors	39	38	38	40	40
Librarians	5	5	5	5	5
Nurses	46	46	46	46	43
Psychologists	34	34	34	34	31
Other student services	80	80	75	75	78
Total student services	<u>204</u>	<u>203</u>	<u>198</u>	<u>200</u>	<u>197</u>
<b>Support and Administration</b>					
Office/Clerical	275	273	273	272	277
Custodial/Maintenance	273	273	270	272	274
Food Services	164	164	164	165	167
Transportation	229	229	238	238	247
Other support services	218	210	204	231	194
Total support and administration	<u>1,159</u>	<u>1,149</u>	<u>1,149</u>	<u>1,178</u>	<u>1,159</u>
<b>Total</b>	<u><u>3,748</u></u>	<u><u>3,698</u></u>	<u><u>3,701</u></u>	<u><u>3,691</u></u>	<u><u>3,577</u></u>

(Continued)

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE**  
**LAST TEN FISCAL YEARS**

	Full-time Equivalent Employees as of June 30				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Supervisory</b>					
Superintendent, Assoc Superintendents and Directors	43	45	45	42	41
Principals	37	38	38	38	38
Assistant principals	28	28	28	28	28
Total supervisory	<u>108</u>	<u>111</u>	<u>111</u>	<u>108</u>	<u>107</u>
<b>Instruction</b>					
Teachers	1,807	1,772	1,808	1,802	1,840
Aides	284	260	265	267	276
Total instruction	<u>2,091</u>	<u>2,032</u>	<u>2,073</u>	<u>2,069</u>	<u>2,116</u>
<b>Student Services</b>					
Counselors	40	40	40	40	40
Librarians	6	6	6	6	5
Nurses	42	42	42	42	37
Psychologists	31	30	29	29	30
Other student services	90	89	51	45	49
Total student services	<u>209</u>	<u>207</u>	<u>168</u>	<u>162</u>	<u>161</u>
<b>Support and Administration</b>					
Office/Clerical	287	288	286	282	282
Custodial/Maintenance	273	273	273	272	273
Food Services	167	168	165	155	160
Transportation	243	243	243	243	243
Other support services	193	198	180	199	202
Total support and administration	<u>1,163</u>	<u>1,170</u>	<u>1,147</u>	<u>1,151</u>	<u>1,160</u>
<b>Total</b>	<u><u>3,571</u></u>	<u><u>3,520</u></u>	<u><u>3,499</u></u>	<u><u>3,490</u></u>	<u><u>3,544</u></u>

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

(Concluded)

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**OPERATING STATISTICS**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30</b>	<b>Average Daily Membership</b>	<b>Operating Expenditures</b>	<b>Cost per Pupil</b>	<b>Percentage Change</b>	<b>Expenses</b>	<b>Cost per Pupil</b>	<b>Percentage Change</b>	<b>Teaching Staff</b>	<b>Pupil- Teacher Ratio</b>	<b>Percentage of Free/Reduced Students</b>
2020	32,257	\$ 283,261,523	\$ 8,781	6.32 %	\$ 341,318,858	\$ 10,581	17.75 %	2,266	14.2	28.3 %
2019	32,583	269,118,031	8,259	4.36	292,792,575	8,986	0.97	2,231	14.6	27.6
2018	32,508	257,292,271	7,915	(1.43)	289,317,180	8,900	(1.70)	2,239	14.5	28.8
2017	32,325	259,565,704	8,030	9.99	292,653,537	9,053	7.76	2,197	14.7	28.2
2016	32,503	237,280,196	7,300	(3.18)	273,079,316	8,402	(5.44)	2,112	15.4	28.6
2015	32,219	242,923,090	7,540	3.41	286,279,079	8,885	4.13	2,091	15.4	34.0
2014	32,082	233,905,924	7,291	2.90	273,760,558	8,533	3.10	2,032	15.8	36.0
2013	32,676	231,523,030	7,085	1.72	270,443,326	8,277	0.95	2,073	15.8	30.5
2012	33,226	231,429,827	6,965	0.31	272,418,120	8,199	1.41	2,069	16.1	29.4
2011	33,711	234,079,174	6,944	2.35	272,538,556	8,085	(0.33)	2,116	15.9	21.8

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

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

**DEER VALLEY UNIFIED SCHOOL DISTRICT NO. 97**  
**CAPITAL ASSETS INFORMATION**  
**LAST TEN FISCAL YEARS**

	<b>Fiscal Year Ended June 30</b>									
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>
<b><u>Schools</u></b>										
<b><u>Elementary</u></b>										
Buildings	240	240	240	240	240	236	236	236	231	231
Square feet	2,659,341	2,659,341	2,659,341	2,659,341	2,659,341	2,561,081	2,555,736	2,555,736	2,504,019	2,504,019
Capacity	28,073	28,073	28,073	28,073	28,073	27,034	27,034	27,034	27,034	27,034
Enrollment	21,009	21,135	21,162	21,238	21,251	20,910	20,443	20,841	21,337	21,800
<b><u>Middle</u></b>										
Buildings	29	29	29	31	31	31	31	31	30	30
Square feet	299,258	297,773	297,773	303,405	303,405	303,405	303,405	303,405	283,525	283,525
Capacity	2,889	2,889	2,889	2,889	2,889	2,889	2,889	2,889	2,889	2,889
Enrollment	2,159	2,138	2,163	2,274	2,264	2,247	2,309	2,395	2,628	2,652
<b><u>High</u></b>										
Buildings	87	87	87	87	87	87	87	87	82	82
Square feet	1,569,590	1,569,590	1,569,590	1,569,590	1,569,590	1,569,590	1,546,443	1,550,875	1,538,109	1,582,671
Capacity	12,814	12,814	12,814	12,814	12,814	12,814	12,814	12,814	12,814	12,814
Enrollment	10,644	10,526	10,440	10,426	10,646	10,636	10,772	10,691	10,548	10,487
<b><u>Administrative</u></b>										
Buildings	16	16	16	16	16	16	16	16	16	16
Square feet	228,880	228,880	228,880	228,880	228,880	228,880	228,880	228,880	228,880	228,880
<b><u>Transportation</u></b>										
Garages	2	2	2	2	2	2	2	2	2	2
Buses	228	241	227	225	238	245	250	250	250	257
<b><u>Athletics</u></b>										
Football fields	10	10	10	10	10	10	10	10	10	10
Running tracks	5	5	5	5	5	5	5	5	5	5
Baseball/softball	62	62	62	62	62	60	60	60	60	60
Playgrounds	77	77	77	77	77	75	75	75	75	75

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



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